



# 2025 ANNUAL REPORT

Tetragon Financial Group

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

Tetragon Financial Group Limited is a Guernsey closed-ended investment company. Its non-voting shares are listed on Euronext in Amsterdam, a regulated market of Euronext Amsterdam N.V., and also traded on the Specialist Fund Segment of the Main Market of the London Stock Exchange.<sup>(1)</sup>



To view company updates visit:  
[www.tetragoninv.com](http://www.tetragoninv.com)

<sup>1</sup> 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. 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

## SNAPSHOT

- 4 Returns and performance highlights >
- 5 Performance summary >



◆ 2025 SNAPSHOT

Distributable income.  
Capital appreciation.

NAV PER SHARE TOTAL RETURN<sup>(3)</sup>

<b>19.6%</b>	<b>11.1%</b>	<b>10.6%</b>	<b>11.2%</b>	<b>631%</b>
2025 Full Year	5 Years Annualised	10 Years Annualised	Since IPO Annualised	Since IPO

NET ASSET VALUE<sup>(1)</sup>

**\$3.9BN**

31 December 2025

INVESTMENT RETURNS/RETURN ON EQUITY<sup>(4)</sup>

<b>23.4%</b>	<b>10-15%</b>	<b>12.1%</b>
2025 Return on Equity (RoE)	RoE Target	Annual Average Since IPO

OWNERSHIP<sup>(2)</sup>

**39.4%**

Principal and Employee  
Ownership at 31 December 2025

DIVIDENDS

<b>\$0.12</b>	<b>2.6%</b>	<b>2.4%</b>
Q4 2025 Dividend	Dividend Yield <sup>(5)</sup>	Dividend 5-Year CAGR <sup>(6)</sup>
<b>\$0.45</b>		
2025 Dividends		

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

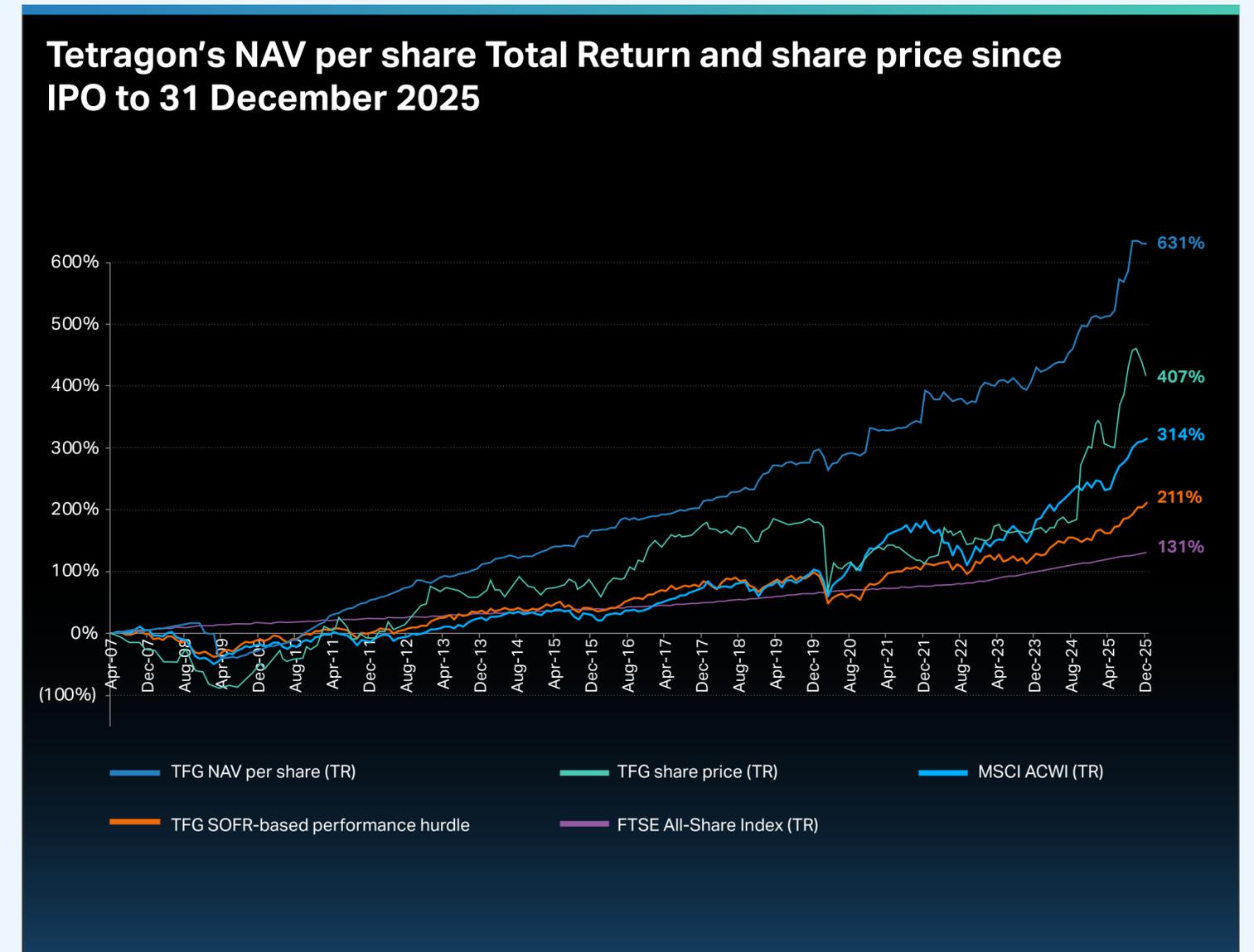
◆ 2025 SNAPSHOT

# Performance summary

FIGURE 1

Tetragon Financial Group – Performance summary			
	31 Dec 25	31 Dec 24	Change
Net Assets	\$3,891.8m	\$3,173.0m	\$718.8m
Fully Diluted NAV per share	\$41.88	\$35.43	\$6.45
Share price <sup>(1)</sup>	\$17.35	\$14.00	\$3.35
<b>Dividend (past 12 months)</b>	<b>\$0.45</b>	<b>\$0.44</b>	<b>\$0.01</b>
Dividend Yield	2.6%	3.1%	
Ongoing Charges <sup>(2)</sup>	1.67%	1.72%	
Principal and Employee Ownership	39.4%	40.3%	
	2025	2024	
<b>Investment Returns/Return on Equity<sup>(3)</sup></b>	<b>23.4%</b>	<b>14.6%</b>	
<b>NAV per share Total Return<sup>(4)</sup></b>	<b>19.6%</b>	<b>15.4%</b>	
Share price Total Return <sup>(5)</sup>	27.4%	47.8%	
Tetragon Hurdle: SOFR +2.75% <sup>(6)</sup>	7.2%	8.2%	
MSCI ACWI Index Total Return <sup>(7)</sup>	23.6%	18.0%	
FTSE All-Share Index Total Return <sup>(7)</sup>	23.9%	9.4%	

FIGURE 2



## ◆ 2025 SNAPSHOT

## Notes

**Page 4**

- (1) The value of Tetragon's assets, less any liabilities, as at 31 December 2025. Source: Tetragon.
- (2) Shareholdings at 31 December 2025 of the principals of Tetragon's investment manager and employees of Tetragon Partners, including all deferred compensation arrangements (other than with respect to shares that are subject to performance criteria). Please refer to page 57 for more details of these arrangements. Source: Tetragon.
- (3) NAV per share Total Return to 31 December 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 13 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 31 December 2025. The latest declared dividend is included in the calculation.
- (6) The five-year Compound Annual Growth Rate (CAGR) figure is at 31 December 2025. The latest declared dividend is included in the calculation.

**Page 5**

- (1) Based on TFG.NA.
- (2) Annual calculation as at 31 December 2025. 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 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 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 2,517

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](http://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>. Source: Bloomberg.



# 2

## LETTER TO OUR SHAREHOLDERS

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"Our permanent capital gives us flexibility to think strategically and for the long term. It allows us to make the investment decisions we believe are right for shareholders. It enables agility, patience and resilience. And, since its initial public offering in 2007, Tetragon has grown its Net Asset Value from \$1.3 billion to \$3.9 billion, while also returning \$1.8 billion to shareholders through dividends and buybacks."<sup>(1)(2)(3)</sup>

Reade Griffith  
Tetragon CIO and Co-Founder

39.4%

Insider ownership<sup>(4)</sup>

\$3.9BN

Net Asset Value<sup>(2)</sup>

631%

NAV per share total  
return since IPO<sup>(5)</sup>

(1) See Note 1 for page 4.

(2) Tetragon commenced investing as an open-ended investment company in 2005, before its initial public offering in April 2007.

(3) Tetragon has engaged, and may continue to engage, in share repurchases in the market from time to time. Such purchases may, at appropriate price levels below NAV, represent an attractive use of Tetragon's excess cash and an efficient means to return such cash to shareholders. Any decision to engage in share repurchases will be made by the investment manager, upon consideration of relevant factors, and will be subject to, among other things, applicable law and profits at the time. Tetragon also continues to explore other methods of improving the liquidity of its shares. Cumulative

dividends paid includes the cash and stock dividends paid to shareholders, but excludes dividends declared on shares held in escrow.

(4) See Note 2 for page 4.

(5) NAV per share Total Return (NAV Total Return) to 31 December 2025, since Tetragon's initial public offering in April 2007. NAV Total Return is determined in accordance with the "NAV total return performance" calculation as set forth on the Association of Investment Companies (AIC) website. Tetragon's NAV Total Return is determined for any period by calculating, as a percentage return on the Fully Diluted NAV per share (NAV per share) at the start of such period, (i) the change in NAV per share over such period, plus (ii)

the aggregate amount of any dividends per share paid during such period, with any dividend deemed reinvested at the NAV per share at the month end date closest to the applicable ex-dividend date (i.e. so that the amount of any dividend is increased or decreased by the same percentage increase or decrease in NAV per share from such ex-dividend date through to the end of the applicable period). NAV per share is calculated as Net Assets divided by Fully Diluted Shares Outstanding. Please refer to Figure 13 for further details.

## ◆ LETTER TO OUR SHAREHOLDERS

Fellow shareholders:

Tetragon delivered an investment RoE of 23.4%,<sup>(1)</sup> above our RoE target of 10-15%; a NAV per share Total Return of 19.6%<sup>(2)</sup>; and declared 45.0 cents of dividends per share (a yield of 2.6% per share for the year)<sup>(3)</sup>. Tetragon's share price Total Return was 27.4% in 2025, including reinvested dividends.

### Performance summary

Performance during 2025 was mainly driven by the same three investments which were the strongest performers in 2024.

First, Tetragon Partners' ownership, or GP, stake in Equitix, a leading international investor, developer and fund manager in infrastructure, was the strongest positive contributor in 2025 with a gain of \$432 million. During 2025, Hunter Point Capital (HPC) acquired a 16.1% stake in Equitix at an enterprise valuation of £1.3 billion excluding net debt. Post-transaction, Equitix remains Tetragon's largest position, reflecting our belief in Equitix as a leader in a sector where we continue to see significant runway for innovation and growth.

Second, Tetragon's investment in Ripple Labs contributed \$333 million of gains in 2025. Ripple Labs is a top U.S. enterprise blockchain company underpinned by the XRP token and XRPL cryptocurrency ledger, which benefitted from various tailwinds including the final resolution of the SEC's lawsuit, significant platform expansion, U.S. cryptocurrency policy developments and multiple share tender offers. In the fourth quarter, Ripple followed a tender offer valuing the company at \$40 billion with a strategic investment round at the same valuation, backed by Citadel, Fortress, Brevan Howard and Galaxy.

And third, investments in funds managed by Hawke's Point, Tetragon Partners' resource finance business, generated gains of \$260 million, led by their largest strategic investment, Ora Banda Mining Limited, an Australian gold mining, exploration and development company.

On the negative side, investments with exposure to bank loans via collateralised loan obligations, or CLOs, led losses in 2025. This includes a \$117 million decline in LCM, our CLO manager owned within Tetragon Partners, where AUM (Assets Under Management) continued to fall. Separate equity investments in older-vintage CLOs contributed an additional \$32 million to losses, including vehicles managed by Tetragon Credit Partners. However, our exposure to bank loans now stands at less than 5% of the Tetragon portfolio, inclusive of the valuation of our GP stake in LCM owned through Tetragon Partners.

### 2025 market context

Risk assets broadly outperformed in 2025, despite a significant "rewiring" of the global economy and alliance structure by a Trump administration emboldened by the previous year's red-sweep election. Implemented in abrupt stages, this rewiring included the highest U.S. tariffs in nearly a century, a reassessment of international supply chains and alliances, deteriorating global fiscal outlooks and threats to central bank independence. Against the U.S. backdrop of a weakening labour market and persistently elevated inflation, these shifts introduced significant volatility – both downside and upside – to global markets.

**Equity markets** shook off early tariff concerns to deliver a third straight year of strong returns, with an index of global stocks rising 20.2%<sup>(4)</sup>. U.S. stocks (+17.9%)<sup>(5)</sup> underperformed global counterparts for the first time since 2022 as uncertainty about the United States' trade and policy stance encouraged greater geographic diversification. Emerging markets led (+28.4%)<sup>(6)</sup> while the United Kingdom (+25.7%)<sup>(7)</sup> and Europe (+19.8%)<sup>(8)</sup> also outperformed the United States. The United States did see pockets of outperformance, most notably in biotechnology (+33.4%)<sup>(9)</sup> and technology (+21.0%)<sup>(10)</sup>, where companies accelerated investment in AI-related initiatives.

**Gold** delivered its best year since 1979, rising 65% and setting 53 new all-time highs on its way to closing the year at \$4,319/oz. Global tensions, persistent inflation, a weakened dollar and concerns about potential U.S. dollar debasement drove record demand for gold, with central banks accumulating 863 tonnes and physical ETFs rising by another 801 tonnes.<sup>(11)</sup>

**Cryptocurrencies** had a poor year despite positive macro tailwinds, which included a more favourable regulatory backdrop, resolution of key SEC lawsuits (particularly Ripple and Binance), improved accounting treatment for digital assets, and supportive U.S. policy initiatives such as the creation of a Presidential Digital Assets Working Group, the launch of a Strategic Bitcoin Reserve and the GENIUS Act enabling broader stablecoin adoption. Bitcoin had risen over 33% by mid-October before a sharp unwind of levered positions drove a 30% drop to end the year down 6%. Regardless, 2025's improvements in regulation, policy and market structure have meaningfully accelerated the legitimacy and adoption of digital assets as a mainstream asset class.

### 2025 RETURN ON EQUITY

# 23.4%

### 2025 NAV PER SHARE TOTAL RETURN

# 19.6%

### 2025 DIVIDENDS PER SHARE

# \$0.45

## ◆ LETTER TO OUR SHAREHOLDERS

**GP stakes** in asset and wealth managers had another strong year, averaging more than 200 M&A deals annually since 2022 – roughly double the pace of the prior decade.<sup>(12)</sup> Investor interest continues to grow, with the total estimated enterprise value of private market GPs now exceeding \$1.7 trillion.<sup>(13)</sup> As the strategy matures and adoption broadens, we expect that overall liquidity should continue to improve.

**Leveraged loans** delivered positive returns of 5.9%<sup>(14)</sup> in 2025. U.S. weighted average loan prices ended the year at \$96.64 with a significant proportion of loans trading above par. Nonetheless, dispersion persisted in the market with a smaller subset of loans continuing to trade at deep discounts due to elevated default rates and concerns about recovery values from several high-profile defaults including the auto-parts supplier First Brands.

Against this market landscape, our portfolio was well-positioned to generate strong returns in 2025. Tetragon delivered a 23.4% net RoE, with gross returns of 31.3%, outperforming the 20.2% return for the MSCI ACWI Local Index.<sup>(15)</sup> Over the time that Tetragon has been trading as a publicly-listed company, our NAV per share Total Return of 631% has demonstrated our ability to compound investment growth; this compares to the MSCI ACWI Local Index returning 349% over the same period.

### BGO

As discussed previously, Tetragon Partners' GP stake in BGO – a real estate-focused principal investing, lending and advisory firm – has been subject to a call/put arrangement exercisable in 2026/2027. This was put in place in 2018 when Sun Life Financial acquired GreenOak and formed BGO. On 27 February 2026, the call was exercised by Sun Life Financial, with the transaction settling in March 2026. Separately, Tetragon Partners has also agreed to relinquish certain ongoing rights it held in the business, while retaining its ownership of carried interest in all existing GreenOak and BGO real estate funds as well as its LP interests in a number of these funds. Going forward, given that Tetragon Partners has effectively monetised its 13% stake in BGO, we will not be including BGO as one of our partners on the platform.

### Board matters

#### Dividends and share repurchases

The fourth quarter 2025 dividend was declared at 12.00 cents per share, up from 11.00 cents in the prior quarter and bringing the full-year 2025 dividend to 45.00 cents per share. We are pleased that the company has returned approximately \$1.8 billion to investors through dividends and share repurchases since its initial public offering in 2007. Tetragon will continue to seek to return value to its shareholders, including through dividends and share repurchases.

#### Cash

Tetragon's cash at bank balance was \$27.1 million as at 31 December 2025. After adjusting for known accruals and liabilities (short- and long-dated), its net cash balance was -\$316.4 million. In 2025, Tetragon increased the size of its credit facility from \$400 million to \$500 million and extended the facility's maturity date to December 2034. As at 31 December 2025, \$350 million of this facility was drawn and this liability has been incorporated into the net cash balance calculation.

#### Finally

Over the last several months, we have been taking steps to simplify the way we present Tetragon Financial Group, both at [www.tetragoninv.com/shareholders](http://www.tetragoninv.com/shareholders) and in our Annual Report, refining the description of the company's investment strategy and the ways that we invest.

Since its initial public offering in 2007, Tetragon has been investing in alternative assets and strategies, both partnering with asset managers who offer differentiated expertise and by making direct, idiosyncratic investments. Initially, Tetragon focused on CLO equity and invested exclusively with external managers. Beginning in 2010 when we acquired loan manager LCM, and continuing with our real estate joint venture that became BGO, the acquisitions of hedge fund specialist Polygon and infrastructure manager Equitix, and our further partnerships with Acasta and Contingency Capital and more, we have been buying, launching and building asset management businesses. This has enabled us to invest both

as an LP in many of these diversified alternative strategies and as a GP of these businesses. In renaming our asset management platform **Tetragon Partners**, we have sought to emphasise that an important part of Tetragon's growth has been our success in partnering with asset managers who offer us this differentiated expertise. Through the combination of these partnerships and Tetragon's direct idiosyncratic investing, the diversification of our exposure now ranges from event-driven arbitrage to legal assets, from life sciences to AI and machine learning, from GP stakes in asset management businesses to digital assets, and from mining and resource finance to infrastructure, venture capital co-investments and beyond.

With Regards,  
The Board of Directors

5 March 2026

- (1) See Note 4 for page 4.
- (2) See Note 3 for page 4.
- (3) See Note 5 for page 4.
- (4) MSCI ACWI Local Gross Total Return Index (which 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). We refer throughout this letter to this index as the "MSCI ACWI Local Index". Please see note [7] on page [6] for important disclosures. All market data is sourced from Bloomberg.
- (5) S&P 500 Total Return Index.
- (6) MSCI Emerging Markets Local Total Return Index.
- (7) FTSE 100 Total Return Index.
- (8) Stoxx Europe 600 Total Return Index.
- (9) Nasdaq Biotechnology Total Return Index.
- (10) Nasdaq 100 Index Total Return Index.
- (11) World Gold Council.
- (12) Morgan Stanley: Race for Relevance fuels M&A in Asset and Wealth Management.
- (13) PEI / Buyout Insider: "GP stakes: No longer a niche industry."
- (14) Morningstar LSTA US Leveraged Loan Total Return Index.
- (15) Please see Note 4.

"Performance during 2025 was mainly driven by the same three investments which were the strongest performers in 2024."



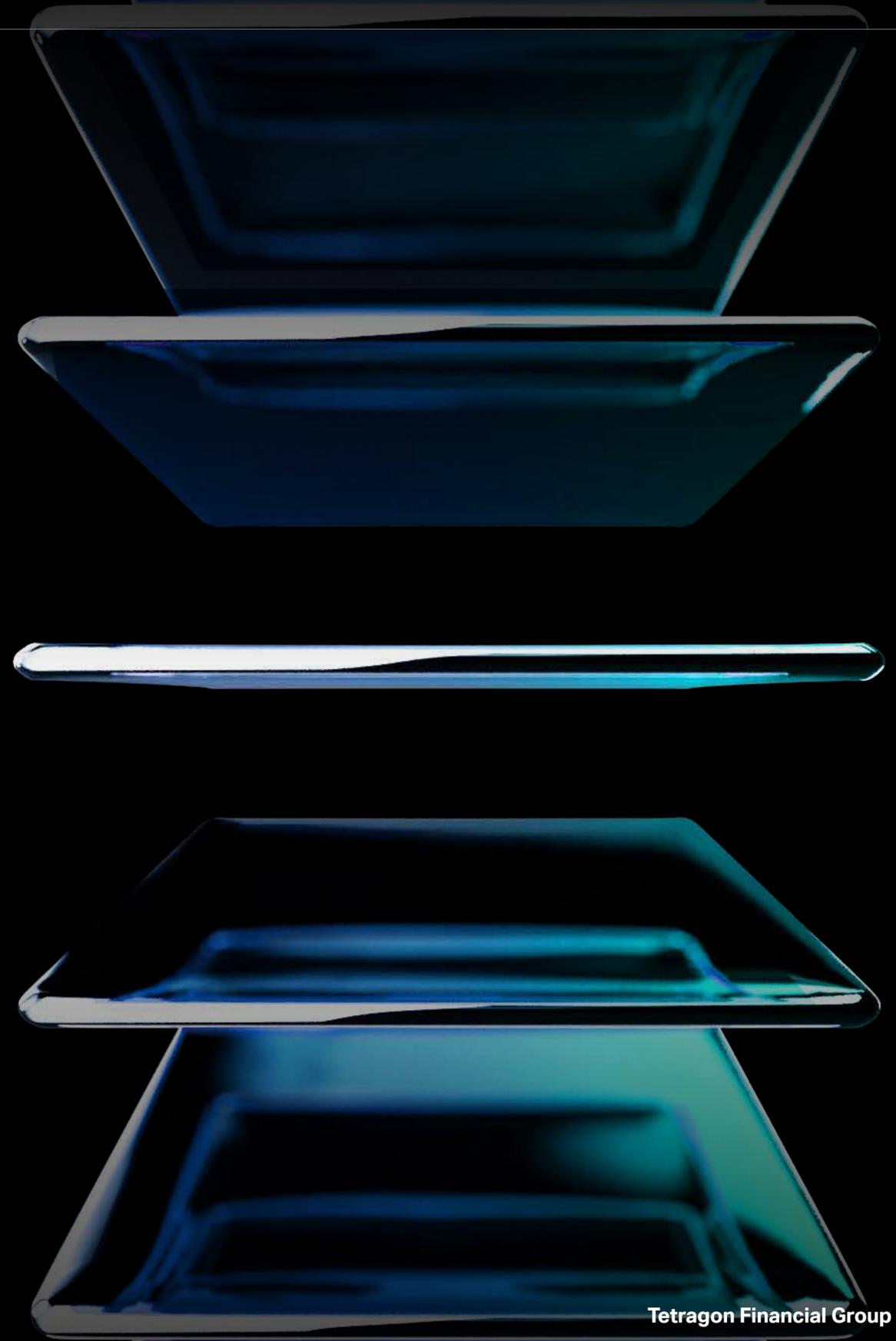
**Paddy Dear**  
Co-Founder



# 3

## MANAGER'S REVIEW

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**◆ MANAGER'S REVIEW**

# Investment objective and strategy

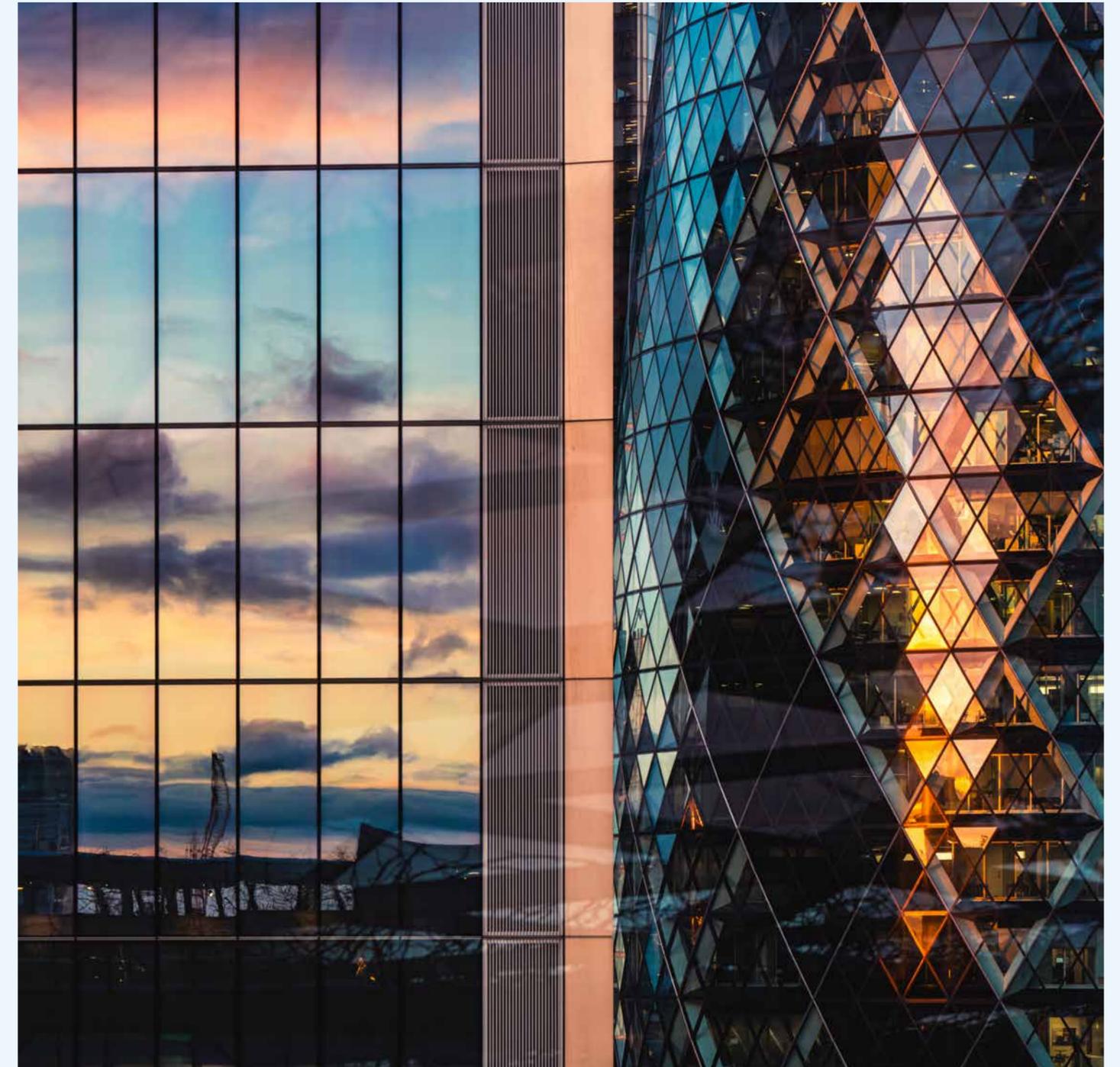
**Investment objective**

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

**Investment strategy**

To achieve this objective, Tetragon's investment strategy is to invest primarily in alternative assets and strategies, both by partnering with asset managers who offer differentiated expertise and by making direct, idiosyncratic investments.

In addition to investing with external managers, Tetragon invests with and in the managers on its diversified asset management platform, Tetragon Partners. Through the platform, Tetragon invests in a range of underlying strategies – often alongside other investors – and, when appropriate, also aims to realise the value of its ownership stakes, or GP stakes, in these businesses.



◆ **MANAGER'S REVIEW**

# The ways we invest

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

## 1 LP investments in managed funds

### Funds managed by Tetragon Partners

We invest as an LP in a range of specialised strategies managed by Tetragon Partners asset 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 fee income from external investors through its GP ownership stakes in these businesses. Tetragon is also the only, or the lead, LP investor in a number of these strategies.

### Externally-managed funds

We invest with third-party managers – without taking a GP ownership stake – to access asset classes and investment strategies beyond those on the Tetragon Partners platform, using our experience to select managers and invest on favourable terms.

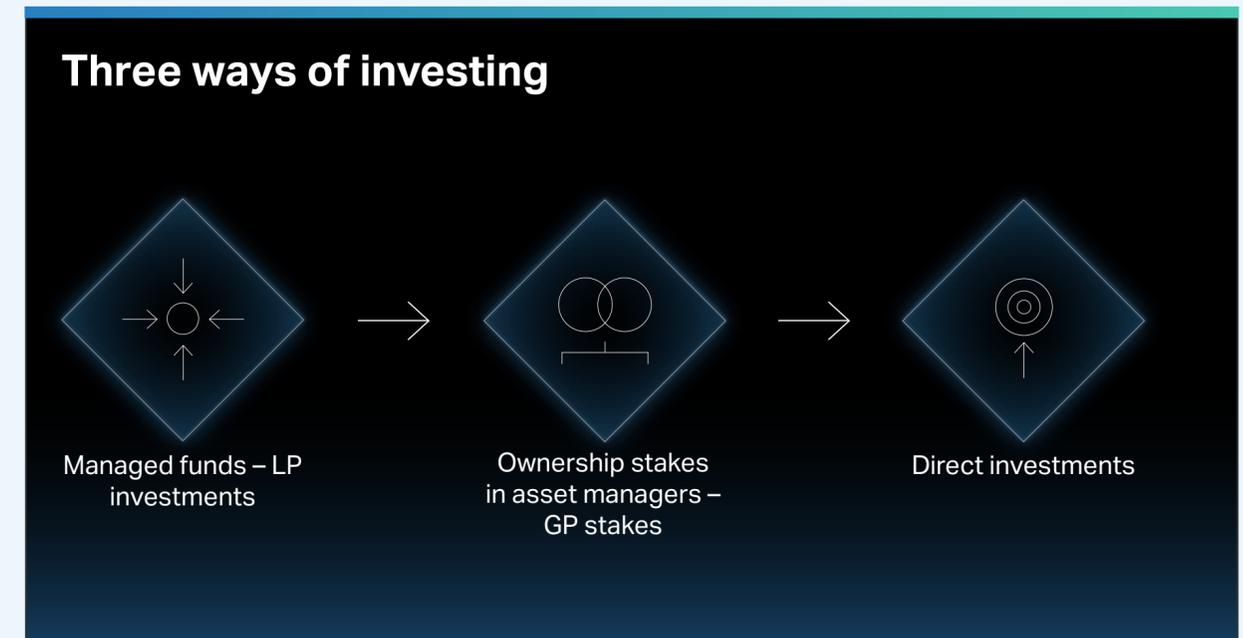
## 2 Ownership stakes in asset managers – GP stakes

One of Tetragon's largest investments is Tetragon Partners, which manages, oversees and supervises our majority and minority GP stakes in asset management companies. In addition to investing as an LP in some of the strategies managed by Tetragon Partners asset managers, Tetragon aims to realise, where appropriate, the value of its GP stakes in these businesses, whether through strategic transactions or dispositions.

Through Tetragon Partners, Tetragon buys, launches and builds asset management businesses. Depending on the circumstances, Tetragon can provide working capital, co-investment capital and/or operating infrastructure – encompassing critical business management functions such as risk management, business development, investor relations, financial control, technology, and compliance/legal matters – supporting long-term value creation while enabling entrepreneurial independence for the CIOs of these businesses.

## 3 Direct investments

We make direct investments from our balance sheet, targeting idiosyncratic opportunities that are typically single-strategy ideas, opportunistic and catalyst driven. These range from listed instruments to private investments and cover a broad range of assets. The breadth and diversity of our LP investments in managed funds, including through Tetragon Partners, also creates co-investment opportunities and ideas which we may develop as direct investments.

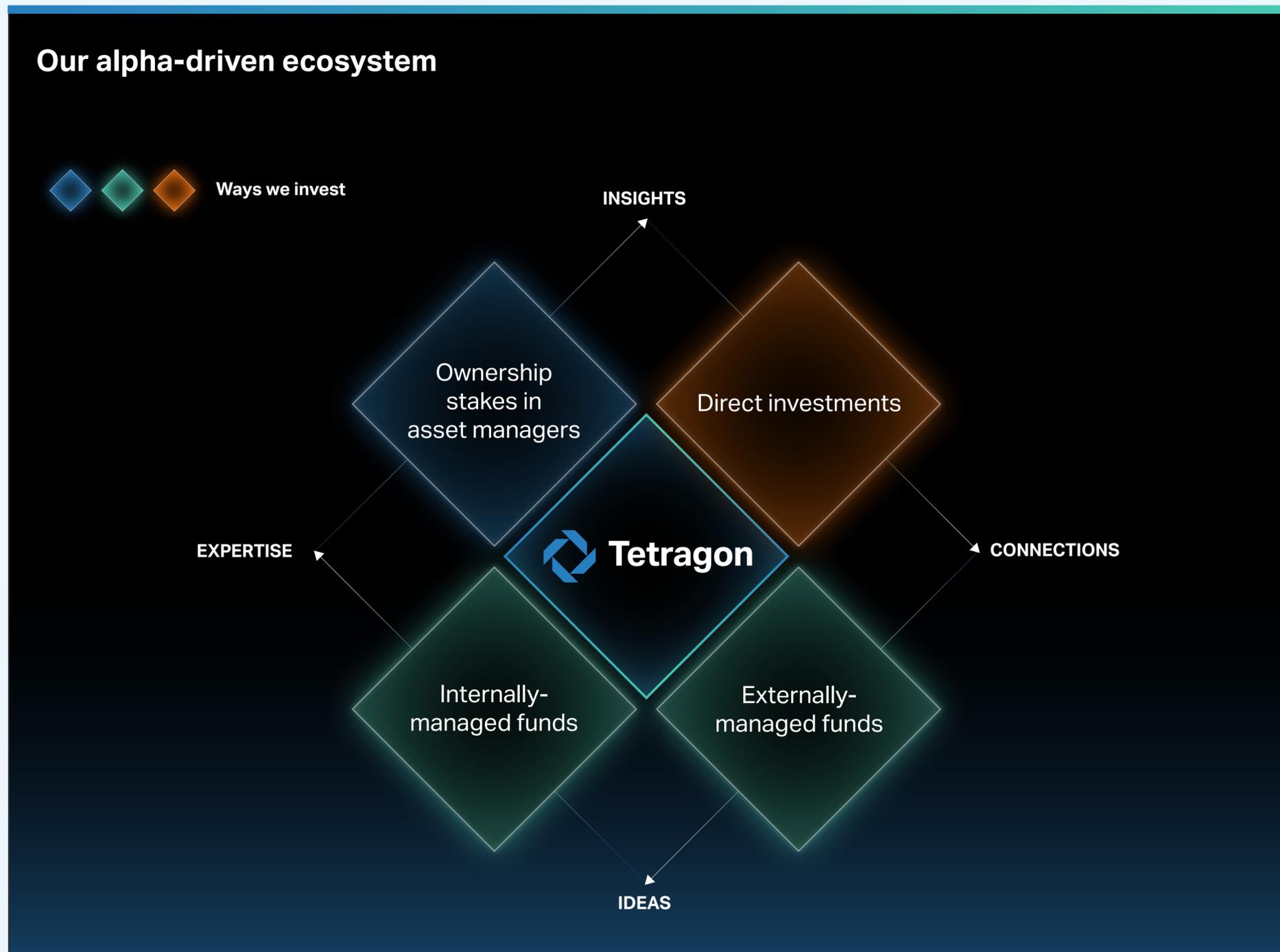


◆ **MANAGER'S REVIEW**

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

“Our GP ownership stakes in asset management businesses through Tetragon Partners and our LP investments in many of its strategies have been powerful drivers of Tetragon’s performance. Through the growth of our GP stakes we benefit from diversified income streams, supporting performance across various economic and market conditions. We also benefit from access to underlying products and opportunities that we might not otherwise have. And we have been able to realise the value of GP stakes alongside their owners.”

Reade Griffith - Chief Investment Officer



◆ **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
- Investment Returns / RoE
- Dividends

**2025 NAV PER SHARE TOTAL RETURN**

**19.6%**

**2025 RETURN ON EQUITY**

**23.4%**

**2025 DIVIDENDS PER SHARE**

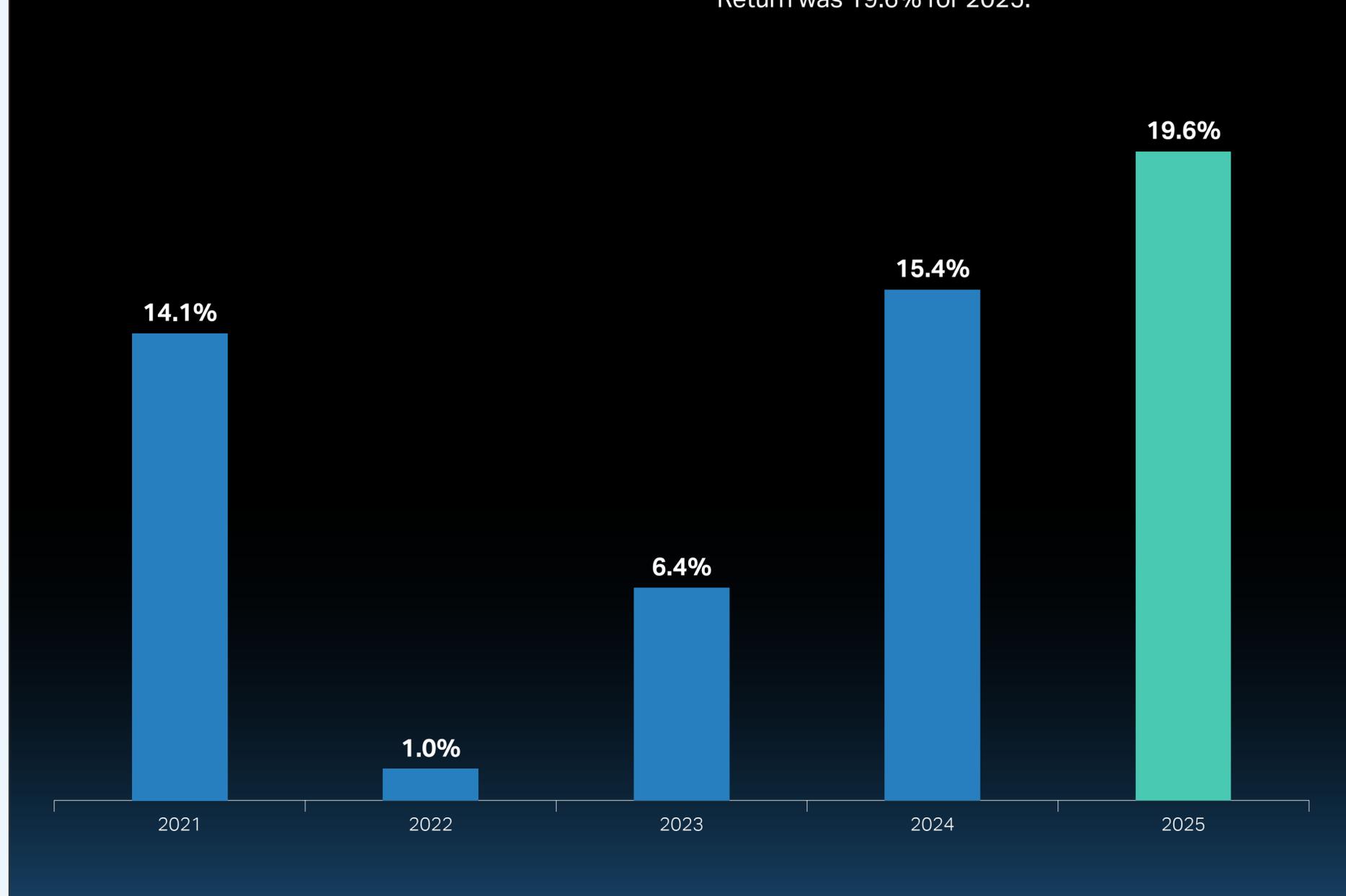
**\$0.45**

FIGURE 3

## Fully diluted NAV per share

NAV per share Total Return 2021–2025.

Fully Diluted NAV per share (NAV per share) was \$41.88 at 31 December 2025. NAV per share Total Return was 19.6% for 2025.



◆ **MANAGER'S REVIEW**

# Key performance metrics

FIGURE 4

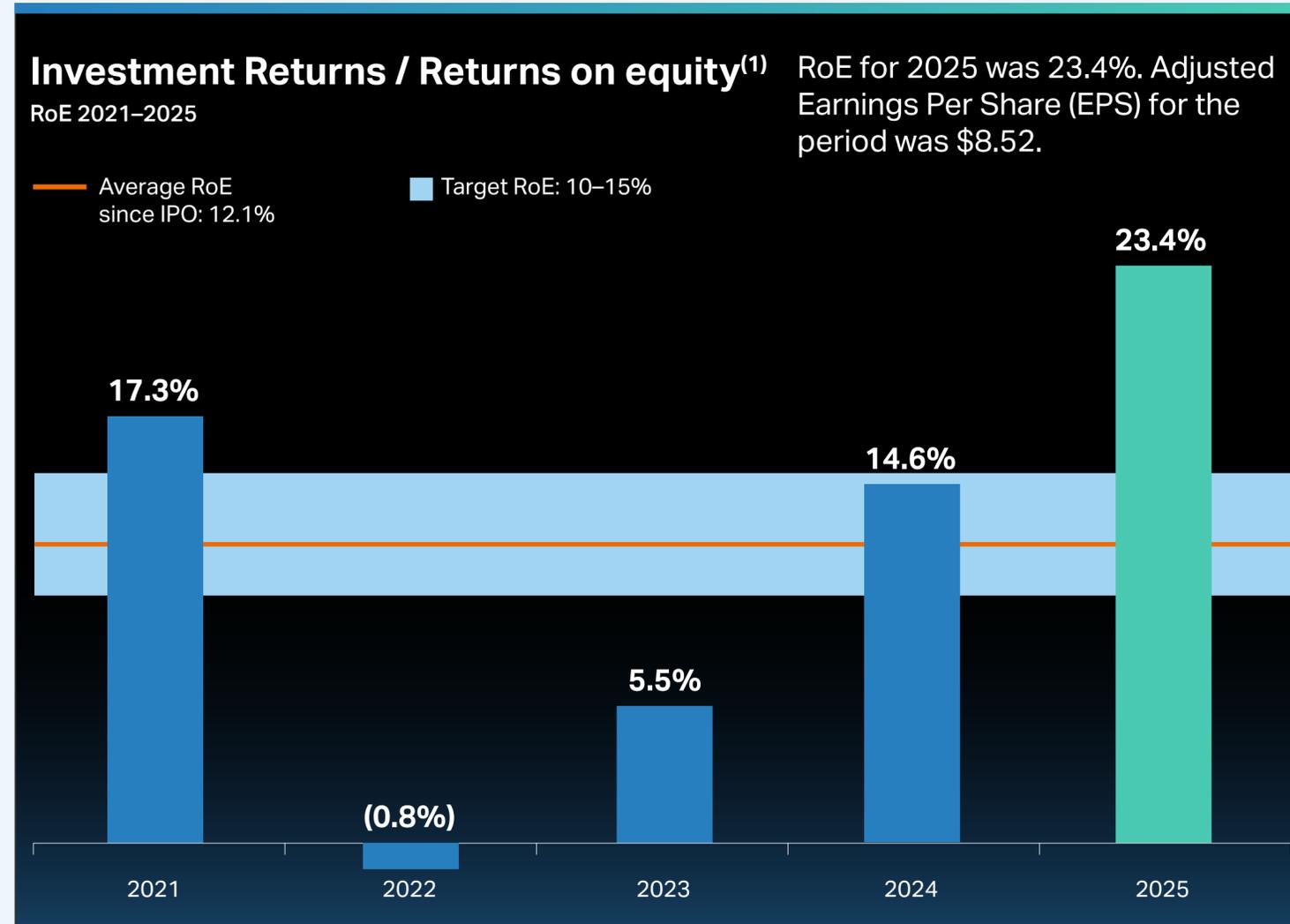
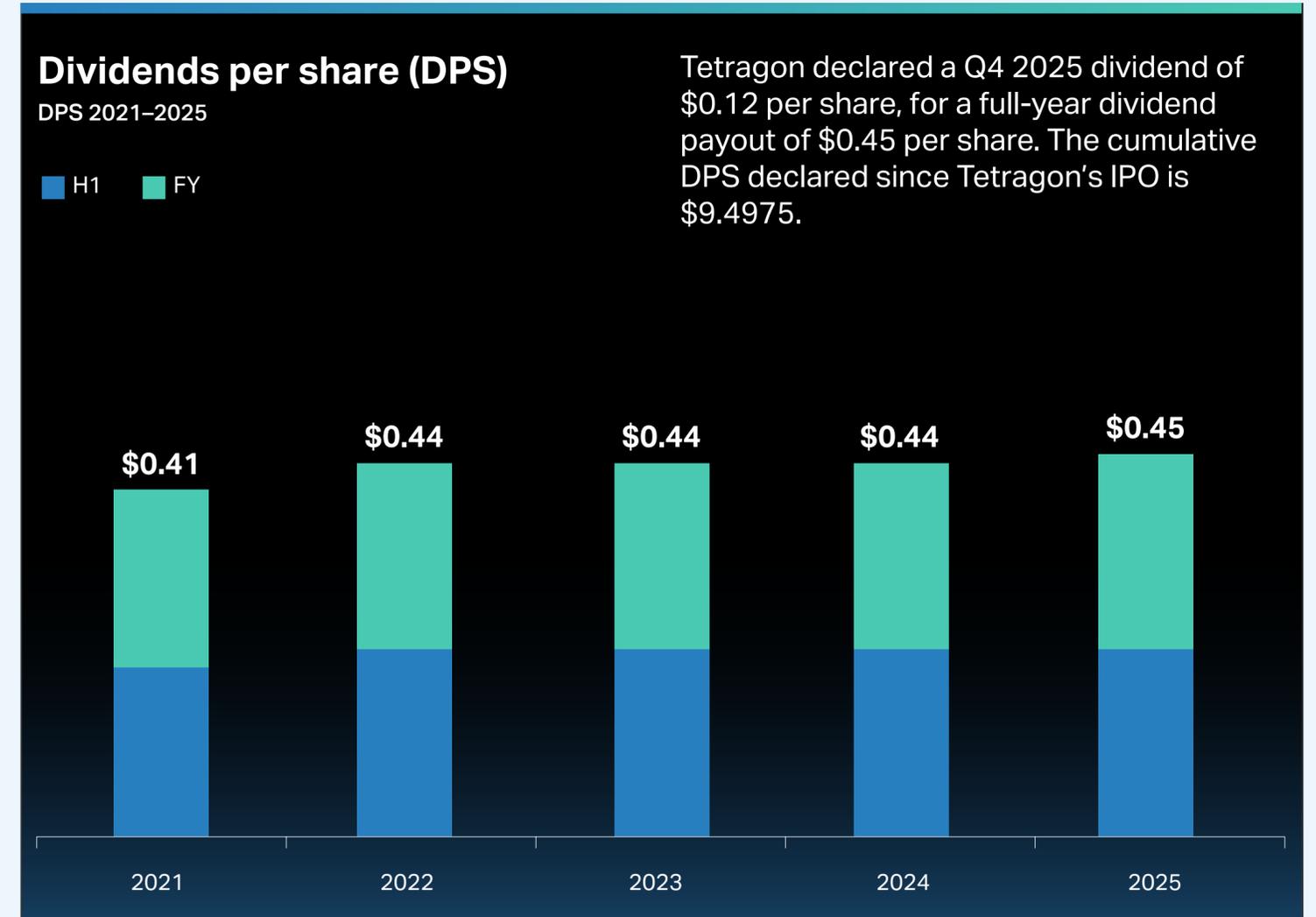


FIGURE 5



(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.

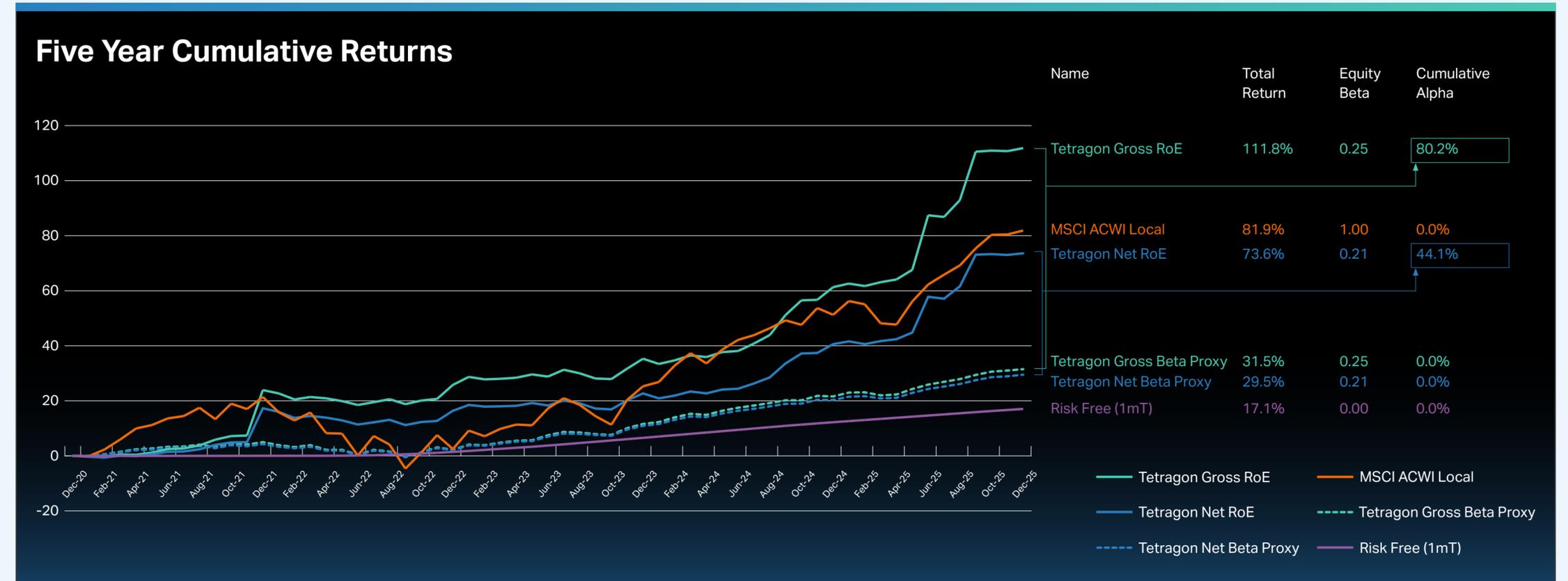
◆ **MANAGER'S REVIEW**

## Tetragon portfolio: *alpha* and market sensitivity notes

Over the five-year period through 31 December 2025, Tetragon's total gross Return on Equity was +111.8% (+73.6% net), compared to +81.9% for the MSCI ACWI Local Index.<sup>(1)</sup> As shown in the graph, over that five-year period, Tetragon's portfolio exhibited lower equity market sensitivity as measured by relative equity *beta*<sup>(2)</sup> when compared to the MSCI ACWI Local Index, and generated gross *alpha*<sup>(3)</sup> of +80.2% (+44.1% net). The graph also shows Tetragon's gross and net "*beta proxy*" over that period. A "*beta proxy*"<sup>(4)</sup> represents a hypothetical portfolio delivering the same *beta*-adjusted market exposure as Tetragon's RoE, excluding any *alpha*. The difference, therefore, between Tetragon's gross and net "*beta proxies*" and its gross and net RoE is the gross and net *alpha* generated over the period.

Over the same five-year period, Tetragon's portfolio produced a Sharpe Ratio<sup>(5)</sup> of 1.3 on a gross basis (and 1.1 on a net basis), versus 0.8 for the Index.<sup>(6)</sup>

FIGURE 6



(1) We refer to the MSCI ACWI Gross Total Return Local Index as the "MSCI ACWI Local Index". Source: Bloomberg. Tetragon's cumulative return over the five-year period is calculated by compounding its annual RoE over the five annual periods. 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. See also Note 7 for Page 5, on page 6.

(2) *Beta* in financial performance is a measure of an investment's or, in this case, a portfolio's sensitivity to market movements, representing its volatility-adjusted correlation relative to a broad market index, such as the MSCI ACWI Local Index. The index definitionally has a beta of 1.0 to itself. A beta of less than 1.0 is understood to indicate that the portfolio, in this case, is less sensitive to a market index's moves and therefore exhibits lower market risk.

(3) *Alpha* in financial performance is a measure of an investment's or a portfolio's return that cannot be explained by *beta* to a market index, such as MSCI ACWI Local Index.

(4) Each "*beta proxy*" is calculated using the Jensen's Alpha framework applied to Tetragon's applicable monthly RoE. For example, each monthly Tetragon Net *Beta Proxy* in the graph equals the risk-free rate (determined as the 1-month U.S. Treasury bill) plus its *beta* of 0.21 × (MSCI ACWI Local Index return – the risk-free rate).

(5) The Sharpe Ratio is a financial metric used to evaluate an investment's return relative to its risk (volatility) and helps determine if higher returns are due to the taking of excessive risk. A higher Sharpe Ratio indicates better risk-adjusted performance.

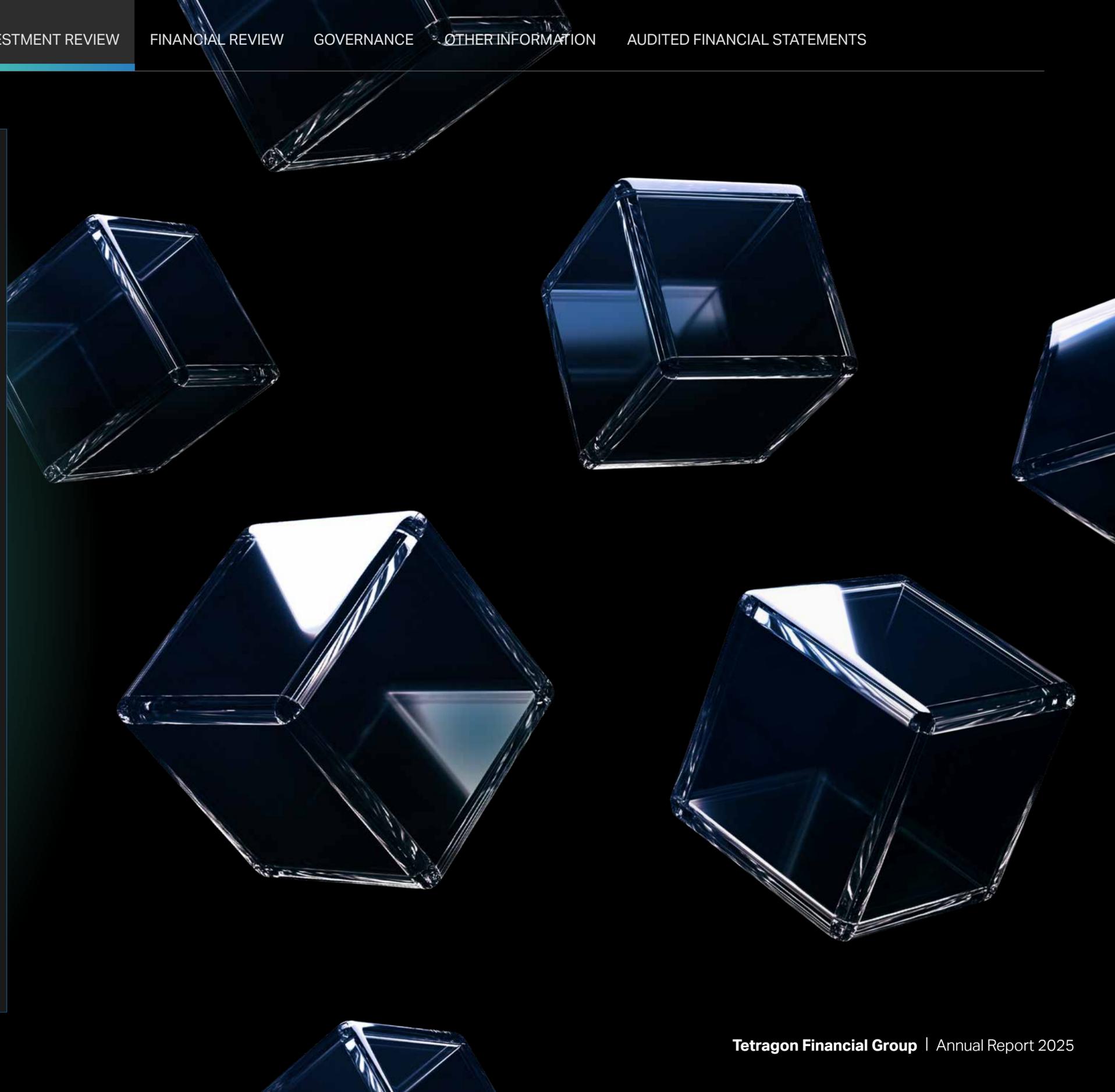
(6) All statistics are calculated using monthly datapoints. The risk-free rate used in the calculation of *beta*, "*beta Proxies*", *alpha* and the Sharpe Ratio is the 1-month U.S. Treasury bill (source: Bloomberg). *Beta*, "*beta proxies*", *alpha* and Sharpe Ratio statistics are calculated using Tetragon's monthly RoEs as reported in Tetragon's monthly factsheets. Ex-post standard deviation is calculated using the population methodology as described by the Global Investment Performance Standards (GIPS).



# 4

## INVESTMENT REVIEW

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◆ INVESTMENT REVIEW

# We focus our time, energy and capital on alternative assets.

We believe that investing in alternatives can deliver stable returns to investors across credit, equity, interest rate, and inflation cycles. We target a 10-15% net Return on Equity for our shareholders and have delivered average annual net investment returns of 12.1% since Tetragon's initial public offering in 2007.<sup>(1)</sup>

Gains  
**+\$1.0BN**  
during 2025



◆ INVESTMENT REVIEW

Tetragon's Fully Diluted NAV per share increased from \$35.43 per share at 31 December 2024 to \$41.88 per share at 31 December 2025.

The table shows a breakdown of the composition of Tetragon's NAV at 31 December 2024 and 31 December 2025, and the factors contributing to the changes in NAV over the period.

FIGURE 7

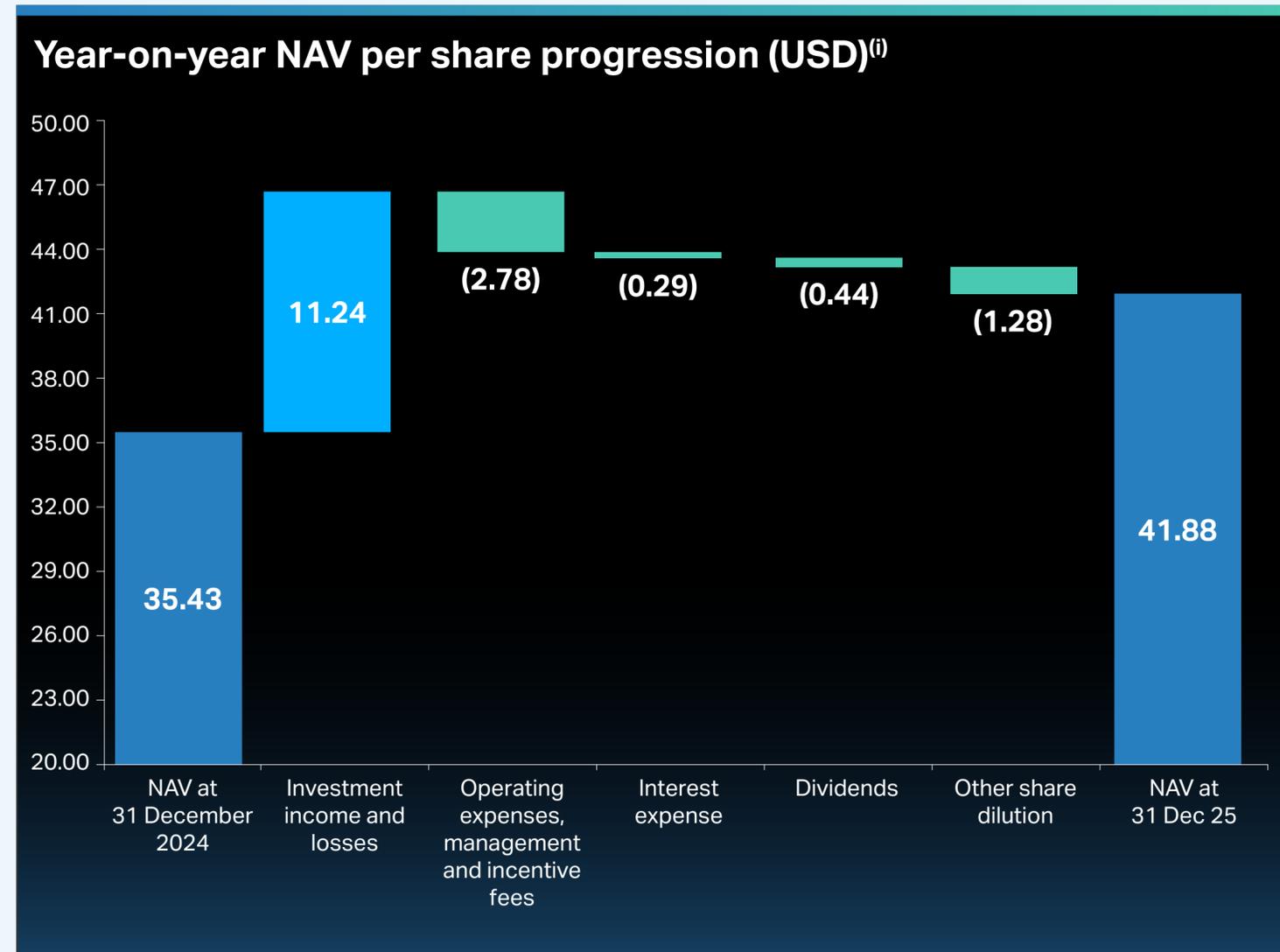


FIGURE 8

Asset Classes	NAV at 31 Dec 2024	Additions <sup>(i)</sup>	Disposals/Receipts <sup>(i)</sup>	Gains/(Losses)	NAV at 31 Dec 2025
Private equity in asset management companies	1,572.8	98.3	(272.1)	355.2	1,754.2
Equity funds	696.3	126.7	(175.0)	295.6	943.6
Credit funds	314.4	15.2	(110.4)	(18.5)	200.7
Real estate	130.0	7.2	(2.4)	(10.2)	124.6
Private equity and venture capital	588.2	49.0	(79.4)	342.1	899.9
Other equities and credit <sup>(ii)</sup>	210.4	84.4	(72.3)	62.7	285.2
Net cash <sup>(iii)</sup>	(339.1)	22.5	-	0.2	(316.4)
<b>Total</b>	<b>3,173.0</b>	<b>403.3</b>	<b>(711.6)</b>	<b>1,027.1</b>	<b>3,891.8</b>

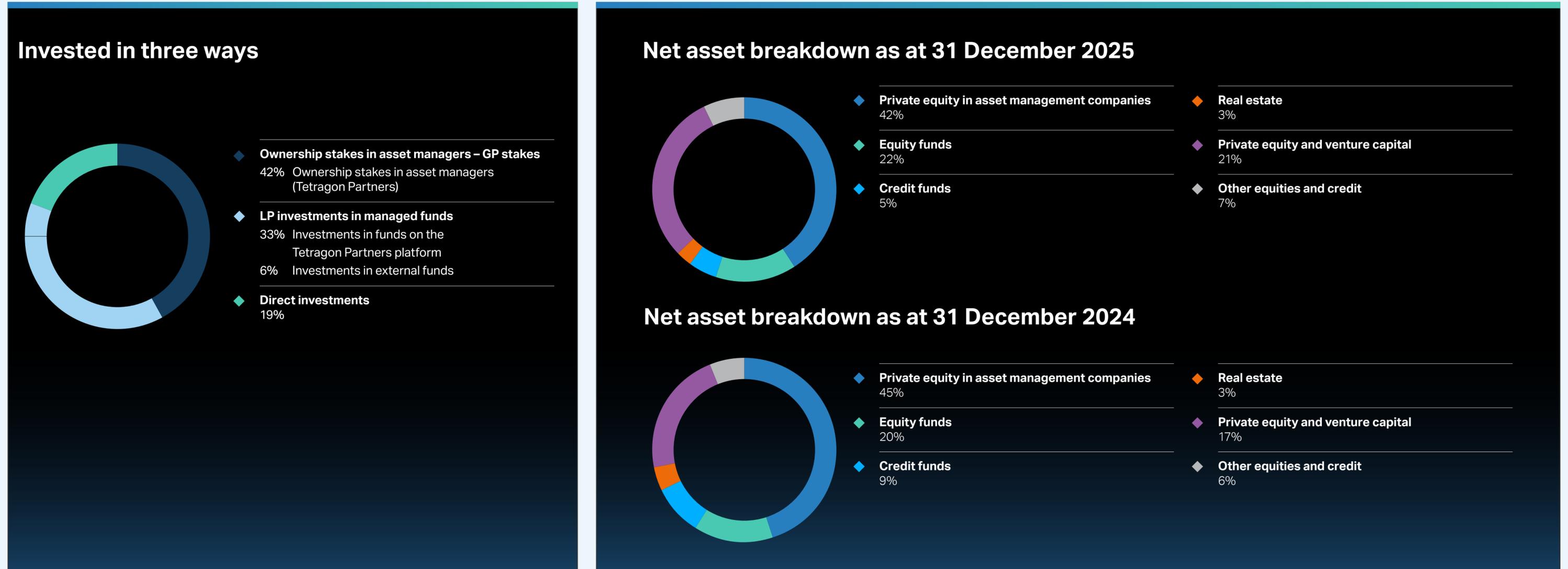
- (i) Any gains or losses on foreign exchange hedging instruments attributable to a particular strategy or sub-asset class have been included in "additions" or "disposals/receipts" respectively. For example, where a hedging gain or loss is made, this will result in either cash being received or paid, 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) adjusted for 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 9



◆ INVESTMENT REVIEW

# Top 10 holdings by value at 31 December 2025

FIGURE 10

Rank	1	2	3	4	5	6	7	8	9	10	
Investment name	<b>Equitix</b>	<b>Ripple Labs Inc.</b>	<b>Hawke's Point Fund</b>	<b>BGO</b>	<b>Westbourne River Event Fund – Low Net</b>	<b>Westbourne River Event Fund – Long Bias</b>	<b>UiPATH Inc.</b>	<b>Banyan Square Fund 1</b>	<b>LCM</b>	<b>Tetragon Life Sciences Fund</b>	<b>Total</b>
Sector	Infrastructure	FinTech	Resource finance	Global real estate	Event-driven equities	Event-driven equities	Tech (AI)	Tech (software)	U.S. CLOs	Multi-disciplinary	
Asset class	Private equity in asset management company	Private equity and venture capital	Private equity and venture capital	Private equity in asset management company	Equity funds	Equity funds	Other equities	Private equity and venture capital	Private equity in asset management company	Equity funds	
Fair value (\$M) as of 31 Dec 2025	<b>\$1149.1</b>	<b>\$509.2</b>	<b>\$337.6</b>	<b>\$325.1</b>	<b>\$301.6</b>	<b>\$172.8</b>	<b>\$172.1</b>	<b>\$146.0</b>	<b>\$107.1</b>	<b>\$77.7</b>	<b>\$3,298.5</b>
% of investments	27.3%	12.1%	8.0%	7.7%	7.2%	4.1%	4.1%	3.5%	2.5%	1.8%	78.3%
Description	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.	A top U.S. enterprise blockchain company underpinned by the XRP token and XRPL cryptocurrency ledger.	An investment fund that provides strategic capital to companies in the mining and resource sectors.	A real-estate focused principal investing, lending and advisory firm.	An investment fund focused 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, with targeted net exposure of 0-30%.	An investment fund focused 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, with targeted net exposure of ~75%.	UiPath is a publicly-quoted global leader in agentic automation, empowering enterprises to harness the full potential of AI agents to autonomously execute and optimise complex business processes.	An investment fund focused on non-control equity investments as well as opportunistic investments in public equities, primarily investing in enterprise software and technology companies.	A specialist in below-investment grade U.S. broadly-syndicated leveraged loans.	An investment fund targeting opportunities throughout the drug development lifecycle - from late pre-clinical to early commercial stages, investing in both public and private markets.	
Security owned	Equity	Series A and B Preferred shares	LP investment in fund	Equity	LP investment in fund	LP investment in fund	Listed equity	LP investment in fund	Equity	LP investment in fund	
Valuation methodology	DCF and Market Multiple	Data from private market platforms and broker quotes	NAV produced by the fund's administrator	Sum-of-the-parts approach with most of the value derived from a contractual EBITDA multiple	NAV produced by the fund's administrator	NAV produced by the fund's administrator	Closing exchange price	NAV produced by the fund's administrator	DCF and Market Multiple	NAV produced by the fund's administrator	

◆ INVESTMENT REVIEW

# Detailed investment review

Figure 11 breaks out more detail showing the effect of capital flows and performance gains and losses on the NAV of each asset class during 2025; more detailed commentary for each asset class follows.

We have reorganised the asset classes from prior reporting periods as follows, to reflect the current mix of our portfolio based on the underlying assets and fund structures:

- Westbourne River Event Fund and other funds have been reclassified to "equity funds" from "event-driven equities, convertible bonds and other hedge funds".
- Acasta funds have been reclassified to "credit funds" from "event-driven equities, convertible bonds and other hedge funds".
- U.S. CLOs and Tetragon Credit Partners funds have been reclassified to "credit funds" from "bank loans".
- Contingency Capital funds have been reclassified to "credit funds" from "legal assets".
- Hawke's Point funds have been reclassified to "equity funds" from "private equity and venture capital".
- The new Tetragon Life Sciences Fund has been classified to "equity funds" from "other equities".

(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 CFDs, 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) adjusted for all other assets and liabilities at the reporting date including any drawn amounts on the revolving credit facility.

FIGURE 11

Asset classes	NAV at 31 Dec 2024	Additions	Disposals/ Receipts <sup>(i)</sup>	Gains/ (Losses) <sup>(ii)</sup>	NAV at 31 Dec 2025	% of investments
<b>Private equity in asset management companies</b>						
Equitix	922.4	32.8	(238.3)	432.2	1,149.1	27.3%
BGO	290.2	-	(19.9)	54.8	325.1	7.7%
LCM	223.6	-	-	(116.5)	107.1	2.5%
Platform and other asset managers	136.6	65.5	(13.9)	(15.3)	172.9	4.1%
<b>Equity funds</b>						
Hawke's Point funds and co-investments	198.4	15.1	(108.4)	259.8	364.9	8.7%
Westbourne River Event Fund – Low Net	306.5	-	-	(4.9)	301.6	7.2%
Westbourne River Event Fund – Long Bias	157.3	11.4	-	4.1	172.8	4.1%
Tetragon Life Sciences Fund	9.6	100.2	(62.6)	30.5	77.7	1.8%
Other funds	24.5	-	(4.0)	6.1	26.6	0.6%
<b>Credit funds</b>						
Contingency Capital funds	51.5	13.9	(9.4)	5.5	61.5	1.5%
Acasta funds	97.1	-	(50.0)	8.3	55.4	1.3%
Tetragon Credit Partners funds	76.1	1.3	(26.3)	(8.7)	42.4	1.0%
U.S. CLOs	89.7	-	(24.7)	(23.6)	41.4	1.0%
<b>Real estate</b>						
BGO funds and co-investments	95.1	6.9	(2.4)	(13.6)	86.0	2.0%
Other real estate	34.9	0.3	-	3.4	38.6	0.9%
<b>Private equity and venture capital</b>						
Banyan Square funds	162.4	21.7	(7.0)	5.2	182.3	4.3%
Other funds and co-investments	170.9	27.3	(3.9)	10.5	204.8	4.9%
Direct	254.9	-	(68.5)	326.4	512.8	12.2%
<b>Other equities and credit<sup>(iii)</sup></b>						
Other equities	210.4	84.4	(72.3)	62.7	285.2	6.8%
<b>Net cash<sup>(iii)</sup></b>						
Net cash	(339.1)	22.5	-	0.2	(316.4)	
<b>Total</b>	<b>3,173.0</b>	<b>403.3</b>	<b>(711.6)</b>	<b>1,027.1</b>	<b>3,891.8</b>	<b>100%</b>

◆ INVESTMENT REVIEW

Net asset breakdown summary at 31 December 2024



Net asset breakdown summary at 31 December 2025



- ◆ Private equity in asset management companies
- ◆ Equity funds
- ◆ Private equity and venture capital
- ◆ Other equities and credit
- ◆ Credit funds
- ◆ Real estate

- (1) Tetragon Life Sciences Fund
- (2) Contingency Capital funds
- (3) Tetragon Credit Partners funds
- (4) U.S. CLOs
- (5) Acasta funds
- (6) BGO funds and co-investments
- (7) Other real estate 2024
- (8) Other real estate 2025

◆ INVESTMENT REVIEW

# Detailed investment review

## Private equity investments in asset management companies (Tetragon Partners)

Tetragon Partners manages, oversees and supervises our majority and minority GP stakes in asset management companies. In addition to investing as an LP in some of the strategies managed by Tetragon Partners asset managers, Tetragon aims to realise, where appropriate, the value of its GP stakes in these businesses, whether through strategic transactions or dispositions. Through Tetragon Partners, Tetragon buys, launches and builds asset management businesses. Depending on the circumstances, Tetragon can provide working capital, co-investment capital and/or operating infrastructure – encompassing critical business management functions such as risk management, business development, investor relations, financial control, technology, and compliance/legal matters – supporting long-term value creation while enabling entrepreneurial independence for the CIOs of these businesses. This segment recorded an investment gain of \$355.2 million in 2025, driven by Equitix.

**The investment in Equitix was the strongest positive contributor in Tetragon's portfolio during 2025.**

**Equitix:** The investment in Equitix, a leading international investor, developer and fund manager in infrastructure, was the strongest positive contributor in Tetragon's portfolio during 2025.

In October 2025, Tetragon completed the sale of a minority stake in Equitix to Hunter Point Capital, or HPC, an independent investment firm providing capital solutions and strategic support to alternative asset managers. HPC acquired a 16.1% stake in the business at an implied

enterprise value of £1.3 billion, before accounting for net debt. HPC's stake was acquired from existing shareholders: approximately 14.6% from Tetragon Partners and 1.5% from Equitix management. Tetragon will continue to hold 66.4% of Equitix. Tetragon's investment made a gain of \$432.2 million in 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 pound gained 8% against the U.S. dollar (approximately 50% of the value is currently hedged); and (c) dividend income of \$9.4 million received from Equitix.

**Tetragon Partners brings together our GP stakes in alpha-driven alternative asset managers.**

**BGO:** BGO is a real estate-focused principal investing, lending and advisory firm. In 2025, the investment gained \$54.8 million. Distributions to Tetragon during the period totalled \$19.9 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 call option in 2026. The exercise price is 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 stood at \$6.6 billion as of 31 December 2025, 25% lower than the 31 December 2024 AUM of \$8.8 billion, due to amortisation of the existing deals and no new deals during 2025. Due to the recent new CLO issuance volumes by LCM, the future capital raising assumptions were reduced in the valuation model by the valuation agent. Both factors resulted in a lower EBITDA for the Market Multiple approach and lower future cash flows used in the DCF valuation. Furthermore, the discount rate used in the DCF valuation increased by 150 basis points and the EBITDA multiple used in the Market Multiple approach was reduced from 12.5x to 10.9x. During the year, Tetragon's investment in LCM made an unrealised loss of \$116.5 million as the valuation reflected the factors described above.

**Platform and other asset managers:**

Tetragon Partners' other asset managers consist of eight diversified alternative asset managers: Westbourne River Partners, Acasta Partners, Tetragon Global Equities, Tetragon Credit Partners, Hawke's Point, Banyan Square, Contingency Capital and Tetragon Life Sciences. Details of these can be found on Tetragon's website.

The collective loss on Tetragon's investments in these managers and the platform was \$15.3 million during 2025, owing to the working capital support provided to relatively nascent businesses.

Please see Note 4 in the 31 December 2025 Tetragon Financial Group Limited audited financial statements for further details on the basis for determining the fair value of Tetragon Partners.



Tetragon Partners

**+\$355M**

2025 performance

◆ INVESTMENT REVIEW

# Detailed investment review

## Equity funds

Tetragon invests in equities primarily through funds managed by Hawke's Point, Westbourne River Partners, Tetragon Life Sciences and Tetragon Global Equities. Investments in these funds generated a gain of \$295.6 million during 2025, driven by gains in Hawke's Point funds and co-investments.

**Hawke's Point funds and co-investments:** Tetragon's resource finance investments managed by Hawke's Point generated a gain of \$259.8 million during 2025, primarily driven by its investment in Ora Banda Mining Limited, an Australian gold mining project. This company had a strong 2025 with positive developments in a number of its mines leading its stock to perform well; in addition, its shares were added to the ASX 300, the ASX 200, and the MVIS Global Junior Miners Index. Tetragon invested an additional \$15.1 million into Hawke's Point as it added an investment in an Australian copper producer and increased its investments in another Australian gold mining project. A partial liquidation of investments produced distributions of \$108.4 million during the year. Additionally, Tetragon committed \$9.9 million to Hawke's Point Critical Metals Fund.

**Westbourne River Event Fund – Low Net:** This 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%. Tetragon's investments in this fund recorded a loss of \$4.9 million during the year. Net performance for the fund was -1.6% for 2025 in its flagship share class. Gains in M&A and corporate restructuring trades were offset by weakness in dislocation names and the portfolio hedge.

## Investments managed by Hawke's Point generated a gain of \$260 million in 2025.

**Westbourne River Event Fund – Long Bias:** This fund follows the same strategy as the Low Net vehicle but has targeted net exposure of approximately 75%. Tetragon's investment generated a gain of \$4.1 million during 2025. Net performance for the fund was +10.3% for 2025 in its flagship share class.

**Tetragon Life Sciences Fund:** The fund invests in both public and private markets, targeting opportunities throughout the drug development cycle. The investment strategy is focused on high-impact therapeutic areas such as immune-mediated diseases, cardiometabolic and renal conditions, neurological disorders, rare diseases, and precision oncology. In 2025, Tetragon invested \$100.2 million of capital and received \$62.6 million from sale of investments, with a gain of \$30.5 million for the year.

**Other equity funds:** Investments in other equity-focused funds had a gain of \$6.1 million during 2025.

## Credit funds

Tetragon invests in credit primarily through Contingency Capital funds, Acasta Partners funds, Tetragon Credit Partners funds, and LCM-managed CLOs. This segment had a loss of \$18.5 million in 2025.

**Contingency Capital funds:** The Contingency Capital funds combine credit structuring and legal underwriting to create pools of legal assets and lend against them in a manner consistent with how a traditional asset-based lender

would lend against receivables or inventory. Tetragon has committed capital of \$74.5 million to Contingency Capital vehicles, \$55.2 million of which has been called to date. A gain of \$5.5 million was generated from this investment.

**Acasta Partners funds:** The Acasta Global Fund invests opportunistically across the credit universe with a particular emphasis on convertible securities, distressed instruments, metals and mining, and 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. Tetragon's investment in Acasta funds generated a gain of \$8.3 million during 2025. Tetragon reduced its holding in Acasta Global Fund by \$50 million during the year.

**Tetragon Credit Partners funds<sup>(1)</sup>:** Tetragon invests in bank loans indirectly through Tetragon Credit Partners funds. TCI II, TCI III, TCI IV and TCI V are CLO investment vehicles established by Tetragon Credit Partners. During 2025, Tetragon's investments in funds managed by Tetragon Credit Partners generated \$26.3 million in cash distributions and a loss of \$8.7 million. Performance was negatively impacted by realised and unrealised losses on certain older-vintage loan exposures.

**U.S. CLOs:** Tetragon continues to invest in bank loans through CLOs managed by LCM, primarily by taking majority positions in the equity tranches. Directly-owned U.S. CLOs generated a loss of \$23.6 million during 2025. This performance was driven by realised and unrealised losses on certain older-vintage loan exposures. During the year, investments in this segment generated \$24.7 million in cash proceeds.

(1) 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.

Equity funds

**+\$296M**

2025 performance

Credit funds

**-\$19M**

2025 performance

◆ INVESTMENT REVIEW

# Detailed investment review

## Real estate

Tetragon's real estate investments are primarily through principal investment vehicles managed by BGO. These investments are geographically focused and include investments in the United States, Canada, Europe and Asia and generally take an opportunistic private-equity style investment approach.

**BGO funds and co-investments:** This segment had a net loss of \$13.6 million in 2025, due to losses in the U.S. investments.

**Other real estate:** Tetragon holds investments in commercial farmland in Paraguay managed by a specialist third-party manager in South American farmland. This investment generated an unrealised gain of \$3.4 million after a third-party revaluation in 2025.

## Private equity and venture capital

Tetragon's private equity and venture capital investments comprise several types of investments: Tetragon's investments in Banyan Square Partners funds and co-investments; private equity investments with third-party managers; and direct private equity investments, including venture capital investments. This segment generated gains of \$342.1 million in 2025.

Direct private equity investments produced gains of \$326 million, primarily related to positive performance in the investment in Ripple Labs Inc.

**Direct:** This category produced gains of \$326.4 million during the year, primarily related to positive performance in the investment in Ripple Labs Inc. Ripple Labs is a top U.S. enterprise blockchain company underpinned by the XRP token and XRPL cryptocurrency ledger. The gain was driven by an increase in the price of Ripple shares observed in the private market, from \$64.50 per share at the end of 2024 to \$150 per share by the end of 2025. Ripple conducted three tender offers in 2025 at a purchase price of \$125, \$175 and \$250 per share. Tetragon participated in these tender offers and received \$65.7 million of cash receipts.

**Other funds and co-investments:** Investments in externally-managed private equity funds and co-investment vehicles in Europe and North America made gains of \$10.5 million in 2025, spread across 41 different positions.

**Banyan Square Partners:** Banyan Square Partners is an investment firm focused on non-control equity investments as well as opportunistic investments in public equities. Banyan Square Partners primarily invests in enterprise software and technology companies. Investments in Banyan Square's portfolio companies generated a gain during the period of \$5.2 million. Banyan Square has 17 positions across its two funds, which include investments across application software, infrastructure software, and cybersecurity.

Real estate

-\$10M

2025 performance

Private equity and venture capital

+\$342M

2025 performance

Other equities and credit

+\$63M

2025 performance

◆ INVESTMENT REVIEW

# Detailed investment review

## Other equities and credit

Tetragon makes direct investments from its balance sheet, targeting idiosyncratic opportunities that are typically single-strategy ideas, opportunistic and catalyst driven. These range from listed instruments to private investments and cover a broad range of assets. The breadth and diversity of its LP investments in managed funds, including through Tetragon Partners, also creates co-investment opportunities and ideas which it may develop as direct investments. This segment generated a gain of \$62.7 million during 2025 and comprised 15 positions at 31 December. Over half of the NAV of this segment is shares in UiPath, an equity position that was the seventh-largest holding at 31 December 2025. UiPath is a global leader in agentic automation, which helps enterprises to harness the full potential of AI agents to autonomously execute and optimise complex business processes. There were no credit positions at 31 December 2025.

During the year, Tetragon increased the size of the credit facility to \$500.0 million from \$400.0 million and extended the maturity date to December 2034. As of 31 December 2025, \$350.0 million of this facility was drawn and this liability has been incorporated into the net cash balance calculation. The company actively manages its cash levels to cover future commitments and to enable it to capitalise on opportunistic investments and new business opportunities. During 2025, Tetragon used \$380.8 million of cash to make investments and \$23.7 million to pay dividends. \$711.6 million of cash was received as distributions and proceeds from the sale of investments. Future cash commitments are \$99.9 million, comprising: investment commitments to private equity funds of \$35.0 million; Contingency Capital funds of \$19.3 million; BGO funds of \$20.7 million; Tetragon Credit Partners funds of \$15.0 million; and Hawke's Point funds of \$9.9 million.

## Cash

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

	<b>\$M</b>
Cash at bank	27.1
Drawn balance of credit facility	(350.0)
Net amount due to brokers <sup>(2)</sup>	(0.6)
Net receivables and payables	7.1
Net cash	(316.4)

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

◆ INVESTMENT REVIEW

# Further portfolio metrics

## Currency exposure

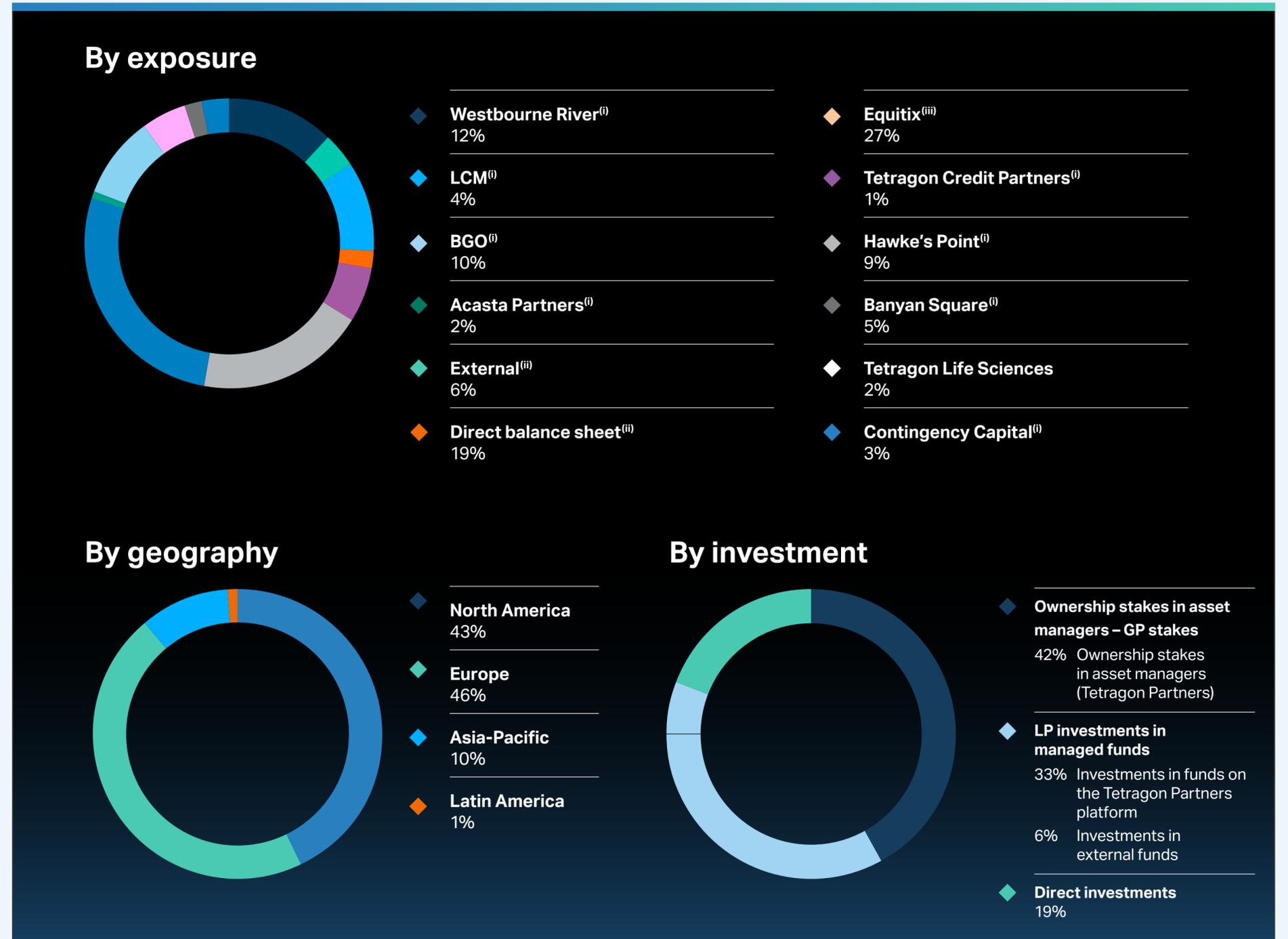
Tetragon is a U.S. dollar-based fund and reports all its metrics in U.S. dollars. During 2025, all investments denominated in other currencies were hedged to U.S. dollars, except for some of the GBP-denominated exposure in Equitix.

- (1) Assumptions for "By geography":
- Equity funds, credit funds, real estate, private equity and venture capital, and other equities and credit investments are based on the geographies of the underlying portfolio assets.
  - U.S. CLOs and Tetragon Credit Partners funds are treated as 100% North America.
  - LCM, Tetragon Credit Partners, Banyan Square Partners, Contingency Capital (Tetragon Partners) are treated as 100% North America.
  - BGO (Tetragon Partners) is treated as 24% Europe, 66% North America, and 10% Asia-Pacific.
  - Acasta Partners (Tetragon Partners) is treated as 80% Europe and 20% North America.
  - Westbourne River Partners and Equitix (Tetragon Partners) are treated as 100% Europe.
  - Hawke's Point (Tetragon Partners) 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.

FIGURE 12





# 5

## FINANCIAL REVIEW

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◆ FINANCIAL REVIEW

FIGURE 13

**Financial highlights through 2023–2025**

	2025	2024	2023
Reported GAAP Net Income (\$M)	\$729.6	\$352.2	\$141.1
Adjusted Net Income (\$M)	\$744.1	\$411.9	\$150.4
Reported GAAP EPS	\$8.36	\$4.13	\$1.62
Adjusted EPS	\$8.52	\$4.83	\$1.72
Return on Equity	23.4%	14.6%	5.5%
Net Assets (\$M)	\$3,891.8	\$3,173.0	\$2,825.4
IFRS number of shares outstanding (million)	83.7	82.0	81.2
NAV per share	\$46.51	\$38.69	\$34.79
Fully Diluted Shares Outstanding (million)	92.9	89.5	90.8
Fully Diluted NAV per share	\$41.88	\$35.43	\$31.13
NAV per share Total Return	19.6%	15.4%	6.4%
Dividends per share	\$0.45	\$0.44	\$0.44

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

- **Adjusted Net Income (\$744.1 million):** Please see Figure 14 for more details and a breakdown of the Adjusted Net Income.
- **Return on Equity (23.4%):** Adjusted Net Income (\$744.1 million) divided by Net Assets at the start of the year (\$3,173.0 million).
- **Fully Diluted Shares Outstanding (92.9 million):** Adjusts the IFRS shares outstanding (83.7 million) for various dilutive factors (9.2 million shares). Please see Figure 18 for more details.

- **Adjusted EPS (\$8.52):** Calculated as Adjusted Net Income (\$744.1 million) divided by the time-weighted average IFRS shares during the period (87.3 million).
- **Fully Diluted NAV per share (\$41.88):** Calculated as Net Assets (\$3,891.8 million) divided by Fully Diluted Shares Outstanding (92.9 million).

FIGURE 14

**Pro forma statement of comprehensive income 2024–2025**

	2025 (\$M)	2024 (\$M)
Net gain on non-derivative financial assets at fair value through profit or loss	1,088.3	558.5
Net (loss)/gain on derivative financial assets and liabilities	(61.0)	15.5
Net (loss)/gain on foreign exchange	(0.3)	0.3
Interest income	0.1	0.9
<b>Investment income</b>	<b>1,027.1</b>	<b>575.2</b>
Management and incentive fees	(248.6)	(130.6)
Other operating and administrative expenses	(7.1)	(7.3)
Interest expense	(27.3)	(25.4)
<b>Total adjusted operating expenses</b>	<b>(283.0)</b>	<b>(163.3)</b>
<b>Adjusted net income</b>	<b>744.1</b>	<b>411.9</b>

Share-based expense of \$14.5 million (2024: \$5.5 million) has been removed. This adjustment is consistent with how Adjusted Net Income has been determined in prior periods.

During the year, \$196.7 million (2024: \$87.3 million) of incentive fee was expensed and none (2024: \$35.6 million) remains outstanding at 31 December 2025.

## ◆ FINANCIAL REVIEW

FIGURE 15

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

	31 Dec 2025 (\$M)	31 Dec 2024 (\$M)
<b>ASSETS</b>		
Investments	4,207.8	3,504.3
Derivative financial assets	10.0	18.7
Other receivables	11.6	5.2
Amounts due from brokers	-	6.2
Cash and cash equivalents	27.1	30.5
<b>Total assets</b>	<b>4,256.5</b>	<b>3,564.9</b>
<b>LIABILITIES</b>		
Loans and borrowings	(350.0)	(300.0)
Derivative financial liabilities	(7.0)	(0.1)
Other payables and accrued expenses	(4.5)	(38.1)
Amounts due to brokers	(3.2)	(53.7)
<b>Total liabilities</b>	<b>(364.7)</b>	<b>(391.9)</b>
<b>NET ASSETS</b>	<b>3,891.8</b>	<b>3,173.0</b>



# 6

## GOVERNANCE

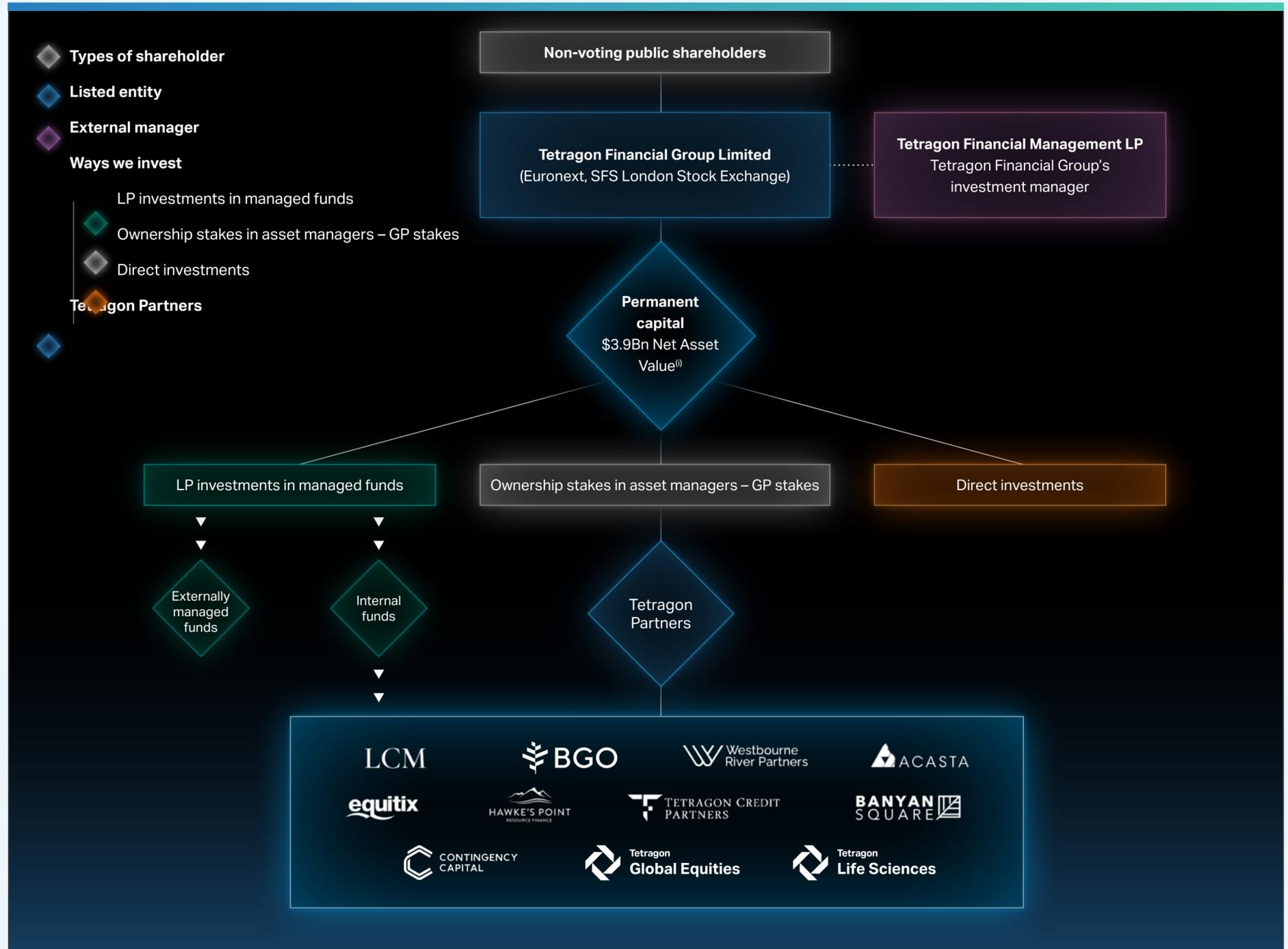
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◆ GOVERNANCE

# Our structure

Tetragon is a Guernsey closed-ended investment company, with an external investment manager, Tetragon Financial Management LP. The company is listed on Euronext in Amsterdam, a regulated market of Euronext Amsterdam N.V., and also traded on the Specialist Fund Segment of the Main Market of the London Stock Exchange.



(i) The value of Tetragon's assets, less any liabilities, as at 31 December 2025. Source: Tetragon.

## ◆ GOVERNANCE

# Board of Directors

The Board of Directors currently comprises five Directors, of which three are Independent Directors.



**Deron J. Haley**  
Independent Director

Deron Haley, also known as D.J., was most recently a founding Partner and Chief Operating Officer at Durational Capital Management, LP, a New York-based private equity firm that specialises in consumer buy-outs. Prior to Durational Capital Management, he was the Chief Operating Officer of Hound Partners, LLC, a New York-based global equity fund. Prior thereto, he was a senior executive of Ziff Brothers Investments, LLC, a global, single-family office that invested directly in private and public equities, fixed income, global macro, and commodities, and led firmwide operational and management initiatives. D.J. began his finance career as an equity research analyst, and later a registered trader before taking on senior managerial roles. Prior to finance, he served five years active duty in the United States Navy. He is a founding Director of the Navy SEAL Foundation, and sits on the Investment Committee of The Heinz Endowments. He holds a B.S. in Mechanical Engineering from Carnegie Mellon University in Pittsburgh and an M.B.A. from Harvard Business School.



**Steven Hart**  
Independent Director

Steven Hart serves as President of Hart Capital LLC, which he founded in 1998 as a family office to invest in a diversified portfolio of assets with a strong education industry focus. Steven was the co-owner (1999-2010) and member of the Board of Directors (1999-2007) of Lincoln Educational Services Corporation. From 1983 to 1997, he was Co-Founder of a family-owned conglomerate where he acquired and managed manufacturing and distribution companies involved in automotive, printing, apparel and industrial textiles, electronics, synthetic foam, and home furnishing industries. Steven served as Chairman of the State of Connecticut Investment Advisory Council from 1995 to 2003, which oversees the State of Connecticut Retirement Plans and Trust Funds, and, as a trustee (1996-2003), and Chairman (2003) of the Stanford University Graduate School of Business Endowment Trust. From 2011-2020, he served as a member of the Boards of Directors of several funds connected with Blue Harbour Group, L.P. In 2025, Steven joined the board of Norwalk Community College Foundation, Inc. Steven earned an M.B.A. from Stanford University Graduate School of Business and a B.A. in Math/ Economics from Wesleyan University.



**David O'Leary**  
Independent Director

David O'Leary retired from State Street Corporation in Boston, Massachusetts in 2012, where he was Executive Vice President – Chief Administrative Officer (2010-2012) and Executive Vice President – Global Head of Human Resources (2005-2010). At State Street, he managed a global team of 325 staff across 15 countries and was a member of its ten-person Operating Group and Management Committee, reporting directly to its Chief Executive Officer. From 1985 to 2004, David was at Credit Suisse First Boston, serving as Managing Director, Global Head of Human Resources from 1988 to 2003, where he managed a global team of 250 staff in 13 countries responsible for all aspects of Human Resources in the Americas, Europe, and Asia. David began his career in financial services at Merrill Lynch & Company in New York, where he was Vice President – Executive Compensation from 1981 to 1985. He earned an M.B.A. from the University of Massachusetts, where he graduated first in his class, an M.S. from the State University of New York and a B.S. from Union College.

## ◆ GOVERNANCE

## Board of Directors

**Reade Griffith**

Tetragon Co-Founder and  
Chief Investment Officer

Reade Griffith is Co-Founder and Chief Investment Officer of Tetragon. Reade is a member of Tetragon's Board of Directors and its investment manager's Investment and Risk Committee.

Prior to co-founding Tetragon in 2005, Reade co-founded Polygon, a multi-strategy hedge fund management business, in 2002. In 2012, Tetragon acquired Polygon.

Reade is also Chief Investment Officer for Tetragon's European event-driven equities business, Westbourne River Partners.

Reade holds an A.B. degree in Economics from Harvard College and a J.D. degree from Harvard Law School. Reade also served as an officer in the U.S. Marine Corps and left as a Captain following the 1991 Gulf War. Reade was previously the Founder and Chief Executive Officer of the European office of Citadel Investment Group, a multi-strategy hedge fund that he joined in 1998.

Reade is currently a member of the Royal United Services Institute Advisory Board and the Dean's Advisory Board at Harvard Law School. From 2017 until 2020, Reade was a member of the Financial Sector Forum at the Bank of England.

Reade is based in London with his wife, Elizabeth, and their three daughters. Reade and Elizabeth have a strong interest in creating educational and athletic opportunities for young people, having benefitted from being club and varsity sport participants during their time as Harvard undergraduates. Together they have endowed a fund to support Harvard's efforts to promote inclusion and broaden access to organised sports and recreational activity. Their education-focused philanthropy also includes funding a 100% bursary in perpetuity at St Paul's Girls' School in London.

Reade is passionate about fly fishing, wildlife conservation and the use of sustainable and regenerative farming methods to encourage biodiversity. He is also a member of the Presidents' Club for both the Atlantic Salmon Trust and the Game and Wildlife Conservation Trust.

**Paddy Dear**

Tetragon Co-Founder

Paddy Dear is Tetragon's Co-Founder in 2005 and is a member of Tetragon's Board of Directors and its investment manager's Investment and Risk Committee.

Prior to co-founding Tetragon in 2005, Paddy co-founded Polygon, a multi-strategy hedge fund management business, in 2002. In 2012, Tetragon acquired Polygon.

Paddy received a BSc in Petroleum Engineering from Imperial College London, graduating top of his year. He started his career as a Petroleum Engineer with Marathon Oil working in London, Denver and offshore in the North Sea. He later moved into finance and prior to setting up Polygon was a Managing Director at UBS Investment Bank, where he worked for 14 years in London and New York.

Paddy believes strongly in the importance of educational opportunity and was a beneficiary of a bursary at Winchester College himself. To this end, much of Paddy's charitable giving has an educational and social mobility focus. He also actively supports and mentors young, aspiring UK entrepreneurs with a special interest in those with a technology bias and a social benefit.

Paddy, together with his wife Janie, are livestock

farmers in Gloucestershire and Scotland and are advocates for local, sustainable, regenerative farming methods.

Paddy is a fan of the arts and is supporter of the National Gallery and the Royal Opera House. He continues to be an avid and active sportsman in particular tennis, cycling, skiing, and hiking.

Paddy is based in London.



◆ GOVERNANCE

# Board of Directors

## The Board of Directors of Tetragon

### Size, independence and composition of the Board of Directors of Tetragon

The structure, practices and committees of the Board of Directors of Tetragon, including matters relating to the size, independence and composition of the Board of Directors, the election and removal of Directors, requirements relating to Board action and the powers delegated to Board committees, are governed by Tetragon's Memorandum and Articles of Incorporation.

Tetragon has five Directors, or the Directors. As set out below and as elsewhere described in the risk factors found on Tetragon's website at <https://www.tetragoninv.com/> shareholders, not less than a majority of the Directors are independent. A Director will be an "Independent Director" if the Board of Directors determines that the person satisfies the standards for independence contained in the Corporate Governance Code 2024 in all material respects. If the death, resignation or removal of an Independent Director results in the Board of Directors having less than a majority of Independent Directors, the vacancy must be filled promptly. Pending the filling of such vacancy, the Board of Directors may temporarily consist of less than a majority of Independent Directors and those Directors who do not meet the standards for independence may continue to hold office.

A Director who is not an Independent Director will not be required to resign as a Director as a result of an Independent Director's death, resignation or removal. In addition, Tetragon's Memorandum and Articles of Incorporation prohibit the Board of Directors from consisting of a majority of Directors who are resident in the United Kingdom.

### Election and removal of Directors of Tetragon

Each member of Tetragon's Board of Directors is elected annually by the holder of Tetragon's voting shares. All vacancies on the Board of Directors, including by reason of death or resignation, may be filled, and additional Directors may be appointed, by a resolution of the holder of Tetragon's voting shares.

A Director may be removed from office for any reason by notice requesting resignation signed by all other Directors then holding office, if the Director is absent from four successive meetings without leave expressed by a resolution of the Directors or for any reason by a resolution of the holder of Tetragon's voting shares. A Director will also be removed from the Board of Directors if they become bankrupt, if they become of unsound mind, if they become a resident of the United Kingdom and such residency results in a majority of the Board of Directors being residents of the United Kingdom or if they become prohibited by law from acting as a Director. A Director is not required to retire upon reaching a certain age.

### Action by the Board of Directors of Tetragon

The Board of Directors of Tetragon may take action in a duly convened meeting, for which a quorum is five Directors, or by a written resolution signed by at least five Directors. When action is to be taken by the Board of Directors, the affirmative vote of five of the Directors then holding office is required for any action to be taken. As a result, the Board of Directors will not be able to act without the affirmative vote of both of the Directors affiliated with the holder of Tetragon's voting shares.

The Directors are responsible for the management of Tetragon. They have delegated to the investment manager certain functions, including broad discretion to adopt an investment strategy to implement Tetragon's investment objective. However, certain matters are specifically reserved

for the Board of Directors under the Memorandum and Articles of Incorporation.

### Transactions in which a Director has an Interest

Provided that a Director has disclosed to the other Directors the nature and extent of any such Director's interests in accordance with the Companies (Guernsey) Law, 2008, as amended, a Director, notwithstanding his office: (a) may be a party to, or otherwise interested in, any transaction or arrangement with Tetragon or in which Tetragon is otherwise interested; (b) may be a Director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by Tetragon or in which Tetragon is otherwise interested; and (c) shall not be accountable to Tetragon for any benefit derived from any such transaction or arrangement or from any interest in any such body corporate, and no such transaction or arrangement shall be void or voidable on the grounds of any such interest or benefit or because such Director is present at or participates in the meeting of the Directors that approves such transaction or arrangement, provided that (i) the material facts as to the interest of such Director in such transaction or arrangement have been disclosed or are known to the Directors and the Directors in good faith authorise the transaction or arrangement and (ii) the approval of such transaction or arrangement includes the votes of a majority of the Directors that are not interested in such transaction or such transaction is otherwise found by the Directors (before or after the fact) to be fair to Tetragon as of the time it is authorised.

Under the Investment Management Agreement, the Directors have authorised the investment manager to enter into transactions on behalf of Tetragon with persons who are affiliates of the investment manager, provided that in connection with any such transaction that exceeds

\$5.0 million of aggregate investment the investment manager informs the Directors of such transaction and obtains either (i) the approval of a majority of the Directors that do not have a material interest in such transaction or (ii) an opinion from a recognised investment bank, auditing firm or other appropriate professional firm substantively to the effect that the financial terms of the transaction are fair to Tetragon from a financial point of view.



### Compensation

The remuneration for Directors is determined by resolution of the holder of Tetragon's voting shares. The Directors' annual fee is \$150,000 in compensation for service on the Board of Directors of Tetragon (2024: \$150,000). The Directors have the option to elect to receive shares in Tetragon instead of the fee. The Directors affiliated with the holder of Tetragon's voting shares have waived their entitlement to a fee. The Directors are entitled to be repaid by Tetragon for all travel, hotel and other expenses reasonably incurred by them in the discharge of their duties. None of the Directors has a contract with Tetragon providing for benefits upon termination of employment.

In addition to the annual fee, Tetragon has awarded its shares to the Independent Directors as described on page 84.

◆ GOVERNANCE

# Board of Directors

## Certain Corporate Governance Rules

Tetragon is required to comply with all provisions of the Companies (Guernsey) Law, 2008, as amended, relating to corporate governance to the extent that the same are applicable and relevant to Tetragon's activities. In particular, each Director must seek to act in accordance with the "Code of Practice – Company Directors". Tetragon reports against the AIC Code of Corporate Governance (AIC Code). The 2024 AIC Code has been endorsed by, amongst others, the Financial Reporting Council and the Guernsey Financial Services Commission (GFSC). This means that Tetragon may make a statement that by reporting against the AIC Code it is meeting its applicable obligations under the UK Corporate Governance Code 2024, the 2011 GFSC Finance Sector Code of Corporate Governance and any associated disclosure requirements under paragraph 9.8.6 of the London Stock Exchange's Listing Rules. No formal corporate governance code applies to Tetragon under Dutch law.

## Indemnity

Each present and former Director or officer of Tetragon is indemnified against any loss or liability incurred by the Director or officer by reason of being or having been a Director or officer of Tetragon. In addition, the Directors may authorise the purchase or maintenance by Tetragon for any Director or officer or former Director or officer of Tetragon of any insurance, in respect of any liability which would otherwise attach to the Director or officer or former Director or officer.

## The Audit Committee

The Audit Committee of Tetragon is responsible for, among other items, assisting and advising Tetragon's Board of Directors with matters relating to Tetragon's accounting and financial reporting processes and the integrity and audits of Tetragon's financial statements. The Audit Committee is also responsible for reviewing and making recommendations with respect to the plans and results of each audit engagement with Tetragon's independent auditor, the audit and non-audit fees charged by the independent auditor and the adequacy of Tetragon's internal accounting controls, and for reviewing Tetragon's administrator's and Tetragon's investment manager's statements on internal control systems prior to endorsement by the Board of Directors.

The total audit fee for the year for Tetragon was \$0.8 million. Non-audit fees payable to the independent auditor and its member firms was \$0.2 million in 2025. In addition to this, \$2.8 million of audit fees was payable by the entities controlled by Tetragon to the independent auditor and its member firms. The Audit Committee concluded that these fees do not pose a threat to the independent auditor's independence or objectivity.



◆ GOVERNANCE

# The investment manager

Tetragon Financial Management LP has been appointed the investment manager of Tetragon pursuant to an investment management agreement dated 26 April 2007 (see "Summary of Key Terms of Tetragon's Investment Management Agreement"). The investment manager's general partner, Tetragon Financial Management GP LLC, is responsible for all actions of the investment manager. The general partner is ultimately controlled by Reade Griffith and Paddy Dear, who also control the holder of Tetragon's voting shares and are the voting members of the investment manager's Investment and Risk Committees. Reade Griffith acts as the authorised representative of the general partner and the investment manager. The investment manager is registered as an investment adviser under the United States Investment Advisers Act of 1940.

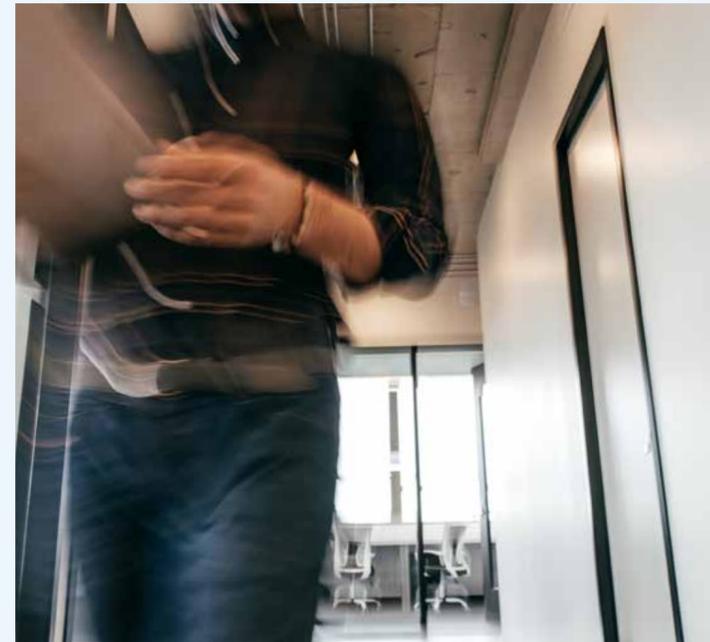
**Summary of key terms of Tetragon's investment management agreement**

Under the terms of the Investment Management Agreement, the investment manager has full discretion to invest the assets of Tetragon in a manner consistent with the investment objective of Tetragon. The investment manager has the authority to determine the investment strategy to be pursued in furtherance of the investment objective, which strategy may be changed from time to time by the investment manager in its discretion. The investment manager is authorised to delegate its functions under the Investment Management Agreement.

The Investment Management Agreement continues in full force and effect unless terminated (i) by the investment manager at any time upon 60 days' notice or (ii) immediately upon Tetragon giving notice to the investment manager or the investment manager giving notice to Tetragon in relation to such entity in the event of (a) the party in respect of which notice has been given becoming insolvent or going into liquidation (other than a voluntary liquidation for the purpose of reconstruction or amalgamation upon terms previously approved in writing by the other party) or a

receiver being appointed over all or a substantial part or of its assets or it becoming the subject of any petition for the appointment of an administrator, trustee or similar officer, (b) a party committing a material breach of the Investment Management Agreement which causes a material adverse effect to the non-breaching party and (if such breach shall be capable of remedy) not making good such breach within 30 days of service upon the party in breach of notice requiring the remedy of such breach, or (c) fraud or wilful misconduct in the performance of a party's duties under the Investment Management Agreement.

The Investment Management Agreement provides that none of the investment manager, its affiliates or their respective members, managers, partners, shareholders, Directors, officers and employees (including their respective executors, heirs, assigns, successors or other legal representatives) (each, as an indemnified party) will be liable to Tetragon or any investor in Tetragon for any liabilities, obligations, losses (including, without limitation, losses arising out of delay, mis-delivery or error in the transmission of any letter, cable, telephonic communication, telephone, facsimile transmission or other electronic transmission in a readable form), damages, actions, proceedings, suits, costs, expenses (including, without limitation, legal expenses), claims and demands suffered in connection with the performance by the investment manager of its obligations under the Investment Management Agreement or otherwise in connection with the business and operations of Tetragon, in the absence of fraud or wilful misconduct on the part of an indemnified party, and Tetragon has agreed to indemnify each indemnified party against any such liabilities, obligations, losses, damages, actions, proceedings, suits, costs, expenses, claims and demands, except as may be due to the fraud or wilful misconduct of the indemnified party.



The investment manager may act as investment manager or advisor to any other person, so long as its services to Tetragon are not materially impaired thereby, and need not disclose to Tetragon anything that comes to its attention in the course of its business in any other capacity than as investment manager. The investment manager is not liable to account for any profit earned or benefit derived from advice given by the investment manager to other persons. The investment manager will not be liable to Tetragon for any loss suffered in connection with the investment manager's decision to offer investments to any other person, or failure to offer investments to Tetragon.

The investment manager is authorised to enter into transactions on behalf of Tetragon with persons who are affiliates of the investment manager, provided that in connection with any such transaction that exceeds \$5.0 million of aggregate investment, the investment manager obtains either (i) the approval of a majority of the Directors that do not have a material interest in such transaction (whether as part of a Board of Directors resolution or otherwise) or (ii) an opinion from a recognised investment bank, auditing firm or other appropriate professional firm substantively to the effect that the financial terms of the transaction are fair to Tetragon from a financial point of view.

**Management and incentive fees; expenses**

All fees and expenses of Tetragon, including management fees relating to the administration of Tetragon and incentive fees (each as described below), will be paid by Tetragon.

The investment manager is entitled to receive a management fee equal to 1.5% per annum of the NAV of Tetragon payable monthly in advance prior to the deduction of any accrued incentive fees.

Tetragon will also pay to the investment manager an incentive fee for each Calculation Period (as defined below) equal to 25% of the increase in the NAV of Tetragon during the Calculation Period before deduction of any dividend paid or the amount of any redemptions or repurchases of shares (or other relevant capital adjustments) during such Calculation Period above (i) the Reference NAV (as defined below) plus (ii) the Hurdle (as defined below) for the Calculation Period. If the Hurdle is not met in any Calculation Period (and no incentive fee is paid), the shortfall will not carry forward to any subsequent Calculation Period.

◆ GOVERNANCE

# The investment manager

A "Calculation Period" is a period of three months ending on 31 March, 30 June, 30 September and 31 December of each year, or as otherwise determined by the Board of Directors of Tetragon.

The "Reference NAV" is the greater of (i) NAV at the end of the Calculation Period immediately preceding the current Calculation Period and (ii) the NAV as of the end of the Calculation Period ending three months earlier than the Calculation Period referred to in clause (i). For the purposes of determining the Reference NAV at the end of a Calculation Period, the NAV shall be adjusted by the amount of accrued dividends and amounts of any redemptions or repurchases of shares (or other relevant capital adjustments) and incentive fees to be paid with respect to that Calculation Period.

The "Hurdle" for any Calculation Period will equal (i) the Reference NAV multiplied by (ii) the Hurdle Rate (defined below).

The "Hurdle Rate" for any Calculation Period equals (x) Term SOFR (as defined below) plus 2.747858% per annum, multiplied by (y) the actual number of days in the Calculation Period, divided by (z) 365.

"Term SOFR" means a rate per annum equal to the forward-looking term rate, based on the secured overnight financing rate published by the Federal Reserve Bank of New York (or any successor administrator of the secured overnight financing rate), that is published by the CME Group Inc. (or a successor administrator of Term SOFR) for a three-month period, on the first day of the applicable Calculation Period (the "Term SOFR Determination Date"); provided, however, that if as of 5:00 p.m. (Central time) on the Term SOFR Determination Date, Term SOFR for a three-month period has not been published, Term SOFR will be the next available Term SOFR for a three-month period as published by the CME Group Inc. (or a successor administrator of Term SOFR).<sup>(1)</sup>

The incentive fee in respect of each Calculation Period is calculated by reference to the increase in NAV of the shares before deduction of any accrued incentive fee. The incentive fee is normally payable in arrears within 14 calendar days of the end of the Calculation Period. If the Investment Management Agreement is terminated other than at the end of a Calculation Period, the date of termination will be deemed to be the end of the Calculation Period. Apart from the management fees and the incentive fee, the investment manager does not charge separate fees based on the NAV of Tetragon.

No incentive fee was accrued for the fourth quarter of 2025 in accordance with Tetragon's Investment Management Agreement. The Hurdle Rate for the first quarter of the 2026 incentive fee has been reset at 6.397628% (Q4 2025: 6.704318%) as per the process outlined above and in accordance with Tetragon's Investment Management Agreement.

Tetragon generally bears all costs and expenses directly related to its investments or prospective investments, such as brokerage commissions, interest on debit balances or borrowings, custodial fees and legal and consultant fees. Tetragon also generally bears all out-of-pocket costs of administration, including accounting, audit, administrator and legal expenses, costs of any litigation or investigation involving their activities, costs associated with reporting and providing information to existing and prospective investors and the costs of liability insurance.

**The investment manager's role with respect to Tetragon Partners**

The investment manager's responsibilities with respect to Tetragon include, inter alia:

- investing and reinvesting the assets of Tetragon in securities, derivatives and other financial instruments and other investments of whatever nature and committing the

assets of Tetragon in relation to agreements with entities, issuers and counterparties;

- holding cash balances or investing them directly in any short-term investments, and reinvesting any income earned thereon in accordance Tetragon's investment strategy;
- purchasing, holding, selling, transferring, exchanging, mortgaging, pledging, hypothecating and otherwise acting to acquire and dispose of and exercise all rights, powers, privileges and other incidents of ownership or possession with respect to investments held or owned by Tetragon, with the objective of the preservation, protection and increase in value thereof;
- exercising any voting or similar rights attaching to investments purchased on behalf of Tetragon;
- borrowing or raising monies from time to time without limit as to the amount or manner and time of repayment;
- engaging consultants, attorneys, independent accountants or such other persons as the investment manager may deem necessary or advisable; and
- entering into any other contracts or agreements in connection with any of the foregoing activities.

Tetragon Partners is an investment of Tetragon, and, as such, the investment manager is responsible for exercising any of Tetragon's voting or similar rights with respect to Tetragon Partners as an investment and is responsible for the management, oversight and/ or supervision of such investment. As with any other category of investments, the investment manager is also responsible for decisions with respect to acquisitions of asset management businesses to be added to Tetragon Partners using Tetragon's cash (which may include minority interests in asset management businesses, joint ventures or other similar arrangements) – as investment decisions with respect to Tetragon's cash



or other assets. Following the acquisition of an asset management business, that business then becomes a part of Tetragon Partners and Tetragon Partners is responsible for the management, oversight and/or supervision of such business, including amendments to or modifications of the terms or arrangements of its ownership of such business (except, where relevant, to the extent of decisions with respect to Tetragon's cash), and any decision to sell or otherwise dispose of all or any portion of such business.

One of Tetragon's largest investments is Tetragon Partners, which manages, oversees and supervises its majority and minority GP stakes in asset management companies. In addition to investing as an LP in some of the strategies managed by Tetragon Partners asset managers, Tetragon aims to realise, where appropriate, the value of its GP stakes in these businesses, whether through strategic transactions or dispositions.

Through Tetragon Partners, Tetragon buys, launches and builds asset management businesses. Depending on the circumstances, Tetragon can provide working capital,

◆ GOVERNANCE

# The investment manager

co-investment capital and/or operating infrastructure – encompassing critical business management functions such as risk management, business development, investor relations, financial control, technology, and compliance/legal matters – supporting long-term value creation while enabling entrepreneurial independence for the CIOs of these businesses.

Tetragon Partners has an internal management team that is responsible for the Tetragon Partners business as a whole, including the management, oversight and/or supervision of its various asset management businesses as they form and grow the funds and vehicles that they manage, and is responsible for its own costs.

In addition to investing as an LP in the various funds and other vehicles managed by a Tetragon Partners business, Tetragon may also provide equity, loans or other financial support to Tetragon Partners or its asset management businesses. The investment manager is responsible for any decision to invest cash into any fund or other vehicle managed by a Tetragon Partners business and is also responsible for decisions regarding financial support for Tetragon Partners.

In connection with the management, oversight and/or supervision of asset management businesses within Tetragon Partners, Tetragon Partners (rather than the investment manager) is responsible for, inter alia, business development, marketing, legal and compliance, risk management and governance, as well as guidance on business issues faced by a new fund or vehicle and the strategic direction of such businesses.

## Services agreement between Tetragon's investment manager, or TFM, and certain subsidiaries of Tetragon Partners

The investment manager relies on two Tetragon Partners entities<sup>(2)</sup> for a broad range of services to support its activities. The services provided to the investment manager under a Services Agreement by Tetragon Partners, through these entities, include infrastructure services such as operations, financial control, trading, marketing and investor relations, legal, compliance, office administration, payroll and employee benefits. One of those entities, Tetragon Partners UK LLP<sup>(3)</sup>, which is authorised and regulated by the United Kingdom Financial Conduct Authority, also provides services to the investment manager relating to the dealing in and management of investments, arrangement of deals and advising on investments.

## Cost recovery by Tetragon Partners for services provided to Tetragon's investment manager

Tetragon Partners has implemented a cost-allocation methodology with the objective of allocating service-related costs, including to the investment manager, in a consistent, fair, transparent and commercially-based manner.<sup>(4)</sup> Tetragon Partners then charges fees to the investment manager for the services allocated to the investment manager on a cost-recovery basis designed to achieve full recovery of the allocated costs. In 2025, the total amount recharged to the investment manager, excluding direct expenses, was \$25.9 million.

Most of the costs related to these services are directly or indirectly attributable to personnel or "human capital", with compensation typically being the largest single cost.<sup>(5)</sup> Consequently, one of the most critical cost allocations relates to professionals' time, which is commonly expressed as Full Time Equivalents or "FTEs".

On a monthly basis, each Tetragon Partners employee<sup>(6)</sup>,



directly or via their team head, provides a breakdown of the approximate percentage of time spent supporting the various businesses for the previous month (this excludes certain functions such as office management and technology that are charged to business users on a standard basis (e.g. space used or global headcount) which removes any need on the part of those teams to allocate their FTEs to business lines. Tetragon Partners employees should not be incentivised to either over- or under-allocate to any business, as their time allocation is not a consideration in the determination of their overall compensation. Once allocated, percentages are determined and agreed and an FTE is derived, subject to adjustments for items determined by contractual arrangements. Core personnel costs, including salary, bonus, pension and healthcare, are charged on an actual

employee cost basis to each business line (including the investment manager) based on the FTE allocation described above.

In addition to FTE costs, there are a number of other costs that reflect the use of resources by Tetragon Partners personnel on behalf of the investment manager (in addition to the other Tetragon Partners businesses), including real property costs, technology and market data. A standard cost methodology is used to allocate these costs across the various business lines that are supported, including the investment manager. The setting of standard costs is designed to reflect what those costs would be on an arm's-length basis. The methodology is designed to create consistency in order to provide a fair allocation of resource costs to all businesses.

Employee FTE data is collated and used to process monthly cost allocations. Such allocations are invoiced monthly to users of the Tetragon Partners platform that are not owned by Tetragon Partners, including the investment manager, or allocated within the Tetragon Partners general ledger for businesses owned by Tetragon Partners.

Tetragon Partners' cost allocation methodology is documented and updated annually by Tetragon Partners' finance team in consultation with its legal and compliance teams and is approved each year by Tetragon Partners' Executive Committee.

◆ GOVERNANCE

# The investment manager

KPMG LLP, reporting directly to Tetragon's Audit Committee, is currently engaged to periodically test that the costs allocated to (and therefore recovered from) the investment manager have been properly calculated in accordance with the approved cost-allocation methodology. Tetragon's Board of Directors has adopted procedures for related-party transactions that require approval of a majority of disinterested Directors. Accordingly, Tetragon's Independent Directors are required to approve the methodology for allocating costs and, in their sole discretion, the application of that methodology as part of their oversight processes. The annual cost allocation methodology update and the actual annual cost allocations that result based on these cost methodology policies and procedures are separately approved by the Independent Directors.

**Investment and Risk Committee**

The investment manager's Investment and Risk Committee is responsible for the investment and risk management of Tetragon's portfolio. The Committee performs active and regular oversight and risk monitoring. The Committee determines the investment strategy of Tetragon and approves each significant investment by it. The Committee currently consists of Reade Griffith, Paddy Dear and Stephen Prince.

**Executive Committee**

The investment manager's Executive Committee oversees all key non-investment and risk activities of the investment manager and currently consists of: Reade Griffith, Co-Founder and Chief Investment Officer; Paddy Dear, Co-Founder; Stephen Prince, Chief Executive Officer of Tetragon Partners; Paul Gannon, Chief Financial Officer and Chief Operating Officer; Sean Côté, General Counsel and Co-Head of Legal Regulatory and Compliance; and Greg Wadsworth, Head of Business Development and Investor Relations.



◆ GOVERNANCE

# Notes

- (1) Tetragon and its investment manager have agreed on a procedure for determining an alternate benchmark rate in the event that Term SOFR is unavailable in the future.
- (2) These Tetragon Partners subsidiaries also provide infrastructure and investment management services to LCM, Contingency Capital, Westbourne River Partners, Hawke's Point, the TCI General Partner, Banyan Square Partners, Tetragon Life Sciences and Tetragon Global Equities.
- (3) Reade Griffith and Paddy Dear hold certain membership interests in Tetragon Partners 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 Tetragon Partners UK LLP to Tetragon Partners.
- (4) This cost allocation methodology also applies to the other Tetragon Partners businesses.
- (5) Employee compensation will also include Tetragon Partners' long-term incentive plan and its other equity-based awards.
- (6) Amounts paid by Tetragon Partners to Reade Griffith and Paddy Dear in connection with services provided by them to Tetragon Partners are not allocated to the investment manager.



◆ GOVERNANCE

# Tetragon Financial Group Limited Directors' Report

The Directors present to the shareholders their report together with the audited consolidated financial statements for the year ended 31 December 2025.

**Tetragon and its investment objective**

Tetragon Financial Group Limited, or Tetragon, was registered in Guernsey on 23 June 2005 as a company limited by shares, with registered number 43321. All voting shares of Tetragon are held by Polygon Credit Holdings II Limited. Tetragon continues to be registered and domiciled in Guernsey, Tetragon's non-voting shares are listed on Euronext in Amsterdam, a regulated market of Euronext Amsterdam (ticker symbol: TFG.NA) and traded on the Specialist Fund Segment of the London Stock Exchange plc (ticker symbols: TFG.LN and TFGS.LN).

Tetragon's investment objective is to generate distributable income and capital appreciation. Tetragon's investment manager, Tetragon Financial Management LP, or TFM, is registered as investment adviser under the U.S. Investment Advisers Act of 1940, as is Tetragon Partners L.P., Tetragon's diversified alternative asset management business. Two of Tetragon Partners L.P.'s investment management entities, Tetragon Partners UK LLP and Equitix Investment Management Limited, are authorised and regulated by the United Kingdom Financial Conduct Authority.

**Results, activities and future developments**

The results of operations are set out on page 65. A detailed review of activities and future developments is contained in the Annual Report issued with these consolidated financial statements to the shareholders of Tetragon.

**Directors**

The Directors who held office during the year were:

- Paddy Dear
- Reade Griffith
- Deron Haley\*
- Steven Hart\*
- David O'Leary\*

\* Independent Directors

The remuneration for Directors is determined by resolution of the holder of Tetragon's voting shares.

Each Director's annual fee for the year ended 31 December 2025 was \$150,000 (2024: \$150,000) as compensation for service on Tetragon's Board of Directors and is paid in quarterly instalments by Tetragon. Paddy Dear and Reade Griffith have waived their entitlement to a Director's fee.

The Independent Directors have the option to elect to receive Tetragon shares instead of their quarterly Director's fee. The Directors did not elect to receive shares during 2025 in lieu of their annual fee.

In addition to the annual fee, Tetragon has awarded its shares to the Independent Directors as described on page 84.

The Directors are entitled to be repaid by Tetragon for all travel, hotel and other expenses reasonably incurred by them in the discharge of their duties. None of the Directors has a contract with Tetragon providing for benefits upon termination of employment.

**Dividends**

The Directors have the authority to declare dividend

payments, based upon the recommendation of Tetragon's investment manager, subject to the approval of the holder of Tetragon's voting shares and adherence to applicable law including the satisfaction of a solvency test as stated under the Companies (Guernsey) Law, 2008. TFM's recommendation with respect to the declaration of dividends (and other capital distributions) may be informed by a variety of considerations, including (i) the expected sustainability of Tetragon's cash generation capacity in the short and medium term, (ii) the current and anticipated performance of Tetragon, (iii) the current and anticipated operating and economic environment, and (iv) other potential uses of cash ranging from preservation of Tetragon's investments and financial position to other investment opportunities.

The Directors declared the following dividends during the year:

Dividend period	Dividend per share
Quarter ended 31 December 2024	\$0.1100
Quarter ended 31 March 2025	\$0.1100
Quarter ended 30 June 2025	\$0.1100
Quarter ended 30 September 2025	\$0.1100

On 5 March 2026, the Directors declared a dividend amounting to \$0.1200 per share for the quarter ended 31 December 2025. The total dividend declared for the year ended 31 December 2025 amounted to \$0.4500 per share (2024: \$0.4400 per share).

**Statement of Directors' responsibilities**

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

The Companies (Guernsey) Law, 2008, requires the Directors to prepare financial statements for each financial year. Accordingly, the Directors have elected to prepare the financial statements in accordance with IFRS as adopted by the European Union (EU) and applicable law.

The financial statements are required by law to give a true and fair view of the state of affairs of Tetragon and of the profit or loss of Tetragon for the relevant financial period.

In preparing those financial statements, the Directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess Tetragon's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate Tetragon or to cease operations, or have no realistic alternative but to do so.

◆ GOVERNANCE

# Tetragon Financial Group Limited Directors' Report

- The Directors are responsible for the keeping of proper accounting records which disclose with reasonable accuracy at any time the financial position of Tetragon and to enable them to ensure that the financial statements comply with the Companies (Guernsey) Law, 2008. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of Tetragon and to prevent and detect fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on Tetragon's website, and for the preparation and dissemination of the financial statements. Legislation in Guernsey governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Tetragon is required to comply with all provisions of Guernsey Company Law relating to corporate governance to the extent the same are applicable and relevant to its activities. In particular, each Director must seek to act in accordance with the "Code of Practice – Company Directors". Tetragon reports against the Association of Investment Companies (AIC) Corporate Governance Guide for Investment Companies and, as such, is deemed to meet the provisions of the Code of Corporate Governance issued by the Guernsey Financial Services Commission.

The financial statements, prepared in accordance with IFRS, give a true and fair view of the assets, liabilities, financial position, results and cash flows of Tetragon as required by the Disclosure Guidance and Transparency Rules (DTR) 4.1.12R and by Section 5:25c of the Financial Markets Supervision Act of the Netherlands and are in compliance with the requirements set out in the Companies (Guernsey) Law, 2008 as amended.

This annual report gives a fair review of the information required by DTR 4.1.8R and DTR 4.1.11R of the Disclosure Guidance and Transparency Rules and by Section 5:25c of the Financial Markets Supervision Act of the Netherlands, which respectively require, inter alia, (i) an indication of important events that have occurred since the end of the financial year and the likely future development of Tetragon and (ii) a description of principal risks and uncertainties during the year.

The Directors consider that the annual report and the financial statements, taken as a whole, are fair, balanced and understandable, and provide the information necessary for shareholders to assess Tetragon's position, performance, business model and strategy.

The Directors confirm that they have complied with the above requirements.

### Disclosure of information to the auditor

So far as each of the Directors is aware, there is no relevant audit information of which Tetragon's auditor is unaware, and each has taken all the steps he ought to have taken as a Director to make himself aware of any relevant audit information and to establish that Tetragon's auditor is aware of that information.

### Auditor

KPMG Audit Limited (KPMG Channel Islands Limited changed its name to KPMG Audit Limited in October 2025) is the appointed independent auditor of Tetragon and it has expressed its willingness to continue in office. A resolution for the re-appointment of KPMG Audit Limited as auditor of Tetragon is to be proposed at the forthcoming Annual General Meeting.

Signed on behalf of the Board of Directors by:

David O'Leary  
Director

Steven Hart  
Director

Date: 5 March 2026

◆ GOVERNANCE

# The AIC Code of Corporate Governance

In September 2016, Tetragon became a member of The Association of Investment Companies (AIC), the trade body for closed-ended investment companies.

Founded in 1932, the AIC represents approximately 300 members across a broad range of closed-ended investment companies, incorporating investment trusts and other closed-ended investment companies. Tetragon is classified by the AIC in its Flexible Investment sector as a company whose policy allows it to invest in a range of asset types. The AIC has indicated that the sector may assist investors and advisers to more easily find and compare those investment companies which have the ability to invest in a range of assets and allow investors to compare investment companies with similar open-ended funds.

The AIC has a Code of Corporate Governance (AIC Code) which sets out a framework of best practice in respect of the governance of investment companies. The Board of Directors of Tetragon considers that reporting against the principles and recommendations of the AIC Code, and by reference to the AIC Corporate Governance Guide for Investment Companies (which incorporates the UK Corporate Governance Code), will provide better information to shareholders.

Tetragon's reporting against the principles and provisions of the 2024 AIC Code is set out on Tetragon's website at <https://www.tetragoninv.com/shareholders/additional-info/#aic-code>.



◆ GOVERNANCE

# Additional information

## Dividend and capital return policy

Tetragon seeks to return value to its shareholders, including through dividends and share repurchases.

Tetragon's Board of Directors has the authority to declare dividend payments, based upon the recommendation of Tetragon's investment manager, subject to the approval of Tetragon's voting shareholder and adherence to applicable law, including the satisfaction of a solvency test as required pursuant to the Companies (Guernsey) Law, 2008, as amended. In addition to making dividend recommendations to the Board of Directors, Tetragon's investment manager may authorise share repurchases.

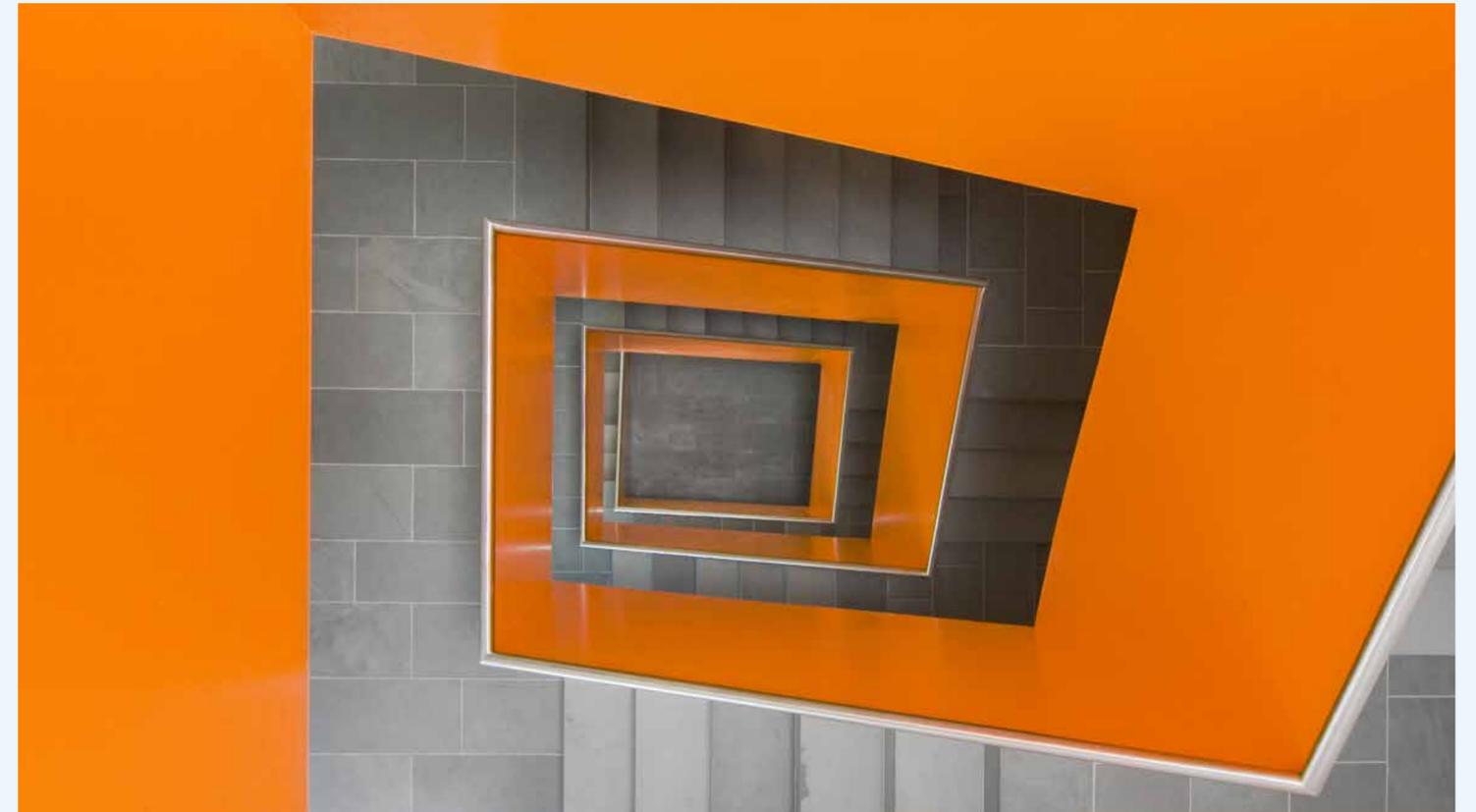
Decisions with respect to declaration of dividends and share repurchases may be informed by a variety of considerations, including (i) the expected sustainability of Tetragon's cash generation capacity in the short and medium term, (ii) the current and anticipated performance of Tetragon, (iii) the current and anticipated operating and economic environment, (iv) other potential uses of cash ranging from preservation of the company's investments and financial position to other investment opportunities, and (v) Tetragon's share price.

Tetragon may also pay scrip dividends, which payments are currently conducted through an optional stock dividend plan.

## Reporting

In accordance with applicable regulations under Dutch law, Tetragon publishes monthly statements on its website for the benefit of its investors containing the following information: the total value of Tetragon's investments; a general statement of the composition of Tetragon's investments; and the number of its legal issued and outstanding shares.

In addition, in accordance with the requirements of Euronext Amsterdam and applicable regulations under Dutch law, Tetragon provides annual and semi-annual reports to its shareholders, including year-end financial statements, which in the case of the financial statements provided in its annual reports, will be reported in accordance with IFRS and audited in accordance with international auditing standards (UK) as well as U.S. GAAS for regulatory purposes, if applicable. The NAV of Tetragon is available to investors on a monthly basis on the company's website at [www.tetragoninv.com](http://www.tetragoninv.com).

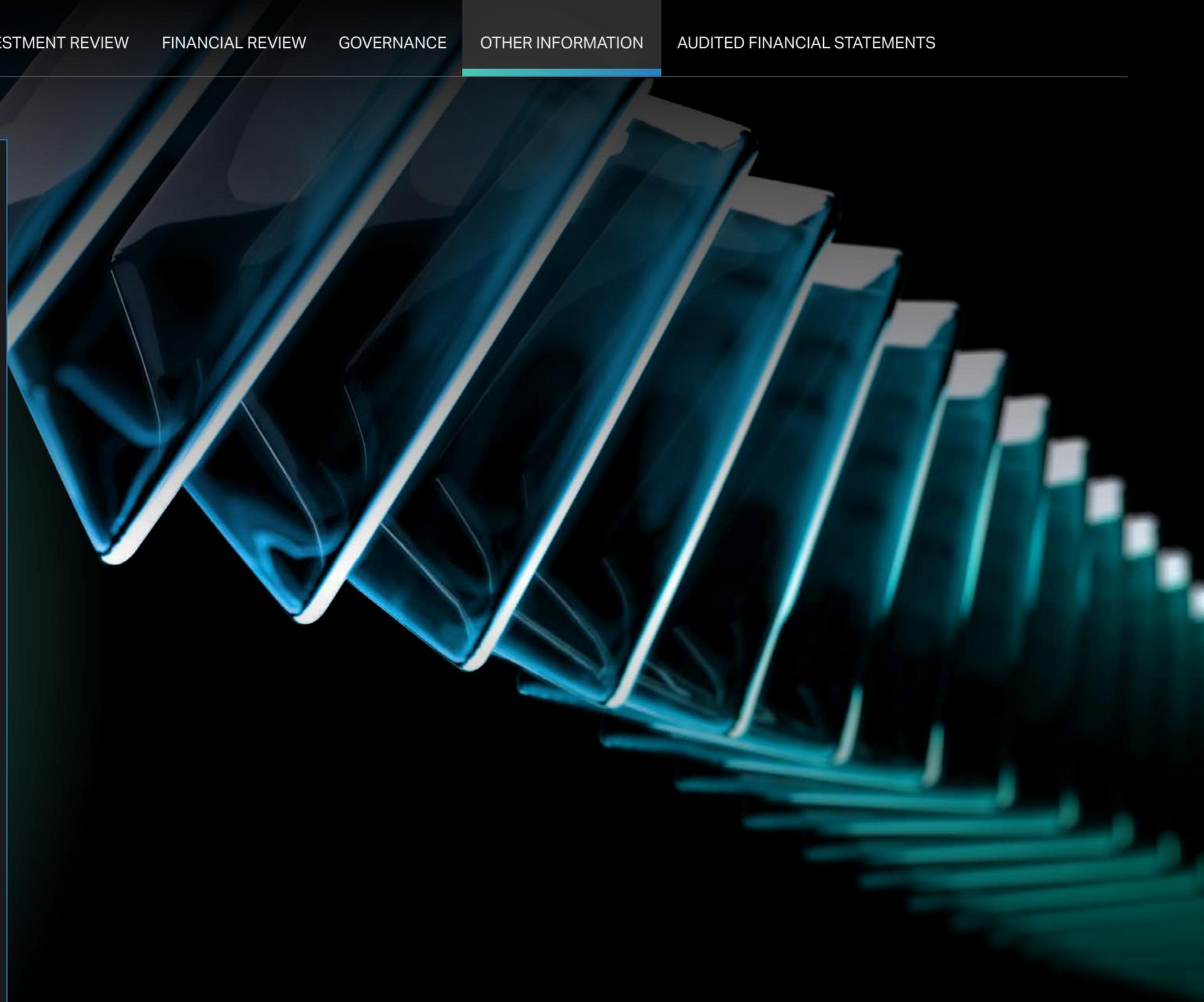




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◆ MANAGER'S REVIEW

# Risk management

BELOW ARE CERTAIN FACTORS THAT TETRAGON MONITORS WITH RESPECT TO PORTFOLIO RISK MANAGEMENT.



**1**

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

**2**

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

**3**

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

**4**

- Portfolio cash flow forecast
- Duration profile
- Cash versus debt
- Leverage facilities
- 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.

◆ OTHER INFORMATION

# Risk factors

## Principal risks

The financial risks inherent in Tetragon's portfolio are primarily market-related or are otherwise relevant to particular asset classes. Operational risks include those related to Tetragon's organisational structure, investment manager, legal and regulatory environment, taxation, financing and other areas where internal or external factors could result in financial or reputational loss.

The risks and uncertainties discussed in this section are those that Tetragon believes are material, but these risks and uncertainties are not the only ones that the company faces. Additional risks and uncertainties that the company does not presently know about or that it currently believes are immaterial may also adversely impact the company's business, financial condition, results of operations, the value of its assets or the value of an investment in Tetragon's shares. If any of the following risks actually occur, the company's business, financial condition, results of operations, the value of its assets and the value of your investment would likely suffer.

## Financial risks

### Risks relating to investing in Tetragon's shares

The market price of Tetragon's non-voting shares fluctuates significantly and may bear no correlation to Tetragon's NAV, and holders may not be able to resell their Tetragon shares at or above the price at which these were purchased. In addition to portfolio-level and operational risks highlighted below, factors that may cause the price of Tetragon's shares to vary include:

- Changes in Tetragon's financial performance and prospects or in the financial performance and prospects of companies engaged in businesses that are similar to Tetragon's business.
- Changes in the underlying values of Tetragon's investments.
- Illiquidity in the market for Tetragon shares, including due to the liquidity of the Euronext Amsterdam exchange and the Specialist Fund Segment of the Main Market of the London Stock Exchange.
- Speculation in the press or investment community regarding Tetragon's business or investments, or factors or events that may directly or indirectly affect its business or investments.
- A loss of a major funding source. If Tetragon breaches the covenants under its financing agreements it could be forced to sell assets at prices less than fair value.
- A further issuance of shares or repurchase of shares by Tetragon.

- Dividends declared by Tetragon.
- Broad market fluctuations in securities markets that in general have experienced extreme volatility often unrelated to the operating performance or underlying asset value of particular companies or partnerships.
- General economic trends and other external factors
- Sales of Tetragon shares by other shareholders.
- The ability to invest in Tetragon shares or to transfer any shares may be limited by restrictions imposed by ERISA regulations and Tetragon's Articles of Incorporation.

### Risks relating to Tetragon's investment portfolio

Tetragon's investment portfolio is comprised of a broad range of assets, including public and private equities and credit (including distressed securities and structured credit), convertible bonds, real estate, venture capital, infrastructure, bank loans, legal assets and Tetragon Partners, a diversified alternative asset management business. As a general matter, the portfolio is exposed to the risk that the fair value of these investments will fluctuate.

### Risks relating to Tetragon Partners

- The asset management business is intensely competitive.
- The performance of Tetragon Partners may be negatively influenced by various factors, including the performance of managed funds and vehicles and its ability to raise capital from third-party clients.
- Tetragon Partners is highly dependent on its investment professionals for the management of its investment funds and vehicles and on other employees for management, oversight and supervision of its asset management businesses. If and when such persons

cease to participate in the management of Tetragon Partners or its investment funds and vehicles, the consequence could be material and adverse.

- Certain of Tetragon Partners' businesses have a limited or no operating history.
- The asset management business is subject to extensive regulation.
- Misconduct of Tetragon Partners employees or at the companies in which Tetragon Partners has invested could harm Tetragon Partners by impairing its ability to attract and retain clients and subjecting it to significant legal liability and reputational harm.
- Failure by Tetragon Partners to deal appropriately with conflicts of interest in its investment business could damage its reputation and adversely affect its businesses.
- Tetragon's investment in Tetragon Partners is illiquid.

### Risks relating to other Tetragon portfolio investments

Tetragon otherwise currently invests or expects to invest its capital, directly and indirectly, in:

- Bank loans, generally through subordinated, residual tranches of CLOs;
- Real estate, generally through private equity-style funds managed by BGO;
- Convertible securities, mainly in the form of debt securities that can be exchanged for equity interests, including through the Acasta Global Fund;
- Credit securities (including distressed securities and structured credit), including through Tetragon Credit Partners;

## ◆ OTHER INFORMATION

# Risk factors

- Private equity and venture capital through direct investments and fund investments, including through Banyan Square Partners;
- Infrastructure projects through Equitix Holdings Limited;
- Legal assets, including through Contingency Capital; and
- Mining industry-related equity securities and instruments, including through Hawke's Point.

These portfolio investments are subject to various risks, many of which are beyond Tetragon's control, including:

- These securities are susceptible to losses of up to 100% of the initial investments.
- The performance of these investments may significantly depend upon the performance of the asset manager of funds or products in which Tetragon invests.
- Tetragon may be exposed to counterparty risk.
- The fair value of investments, including illiquid investments, may prove to be inaccurate and require adjustment.
- Adverse changes in international, national or local economic and other conditions could negatively affect investments.
- Tetragon is subject to concentration and geographic risk in its investment portfolio.
- Tetragon's investments are subject to interest rate risk, which could cause its cash flow, the fair value of its investments and its operating results to decrease.

- Tetragon's investments are subject to currency risks, which could cause the value of its investments in U.S. dollars to decrease regardless of the inherent value of the underlying investments.

- The utilisation of hedging and risk management transactions may not be successful, which could subject Tetragon's investment portfolio to increased risk or lower returns on its investments and in turn cause a decrease in the fair value of its assets.

- Tetragon engages in over-the-counter trading, which has inherent risks of illiquid markets, wide bid/ask spreads and market disruption.

- Leverage and financing risk and the use of options, futures, short sales, swaps, forwards and other derivative instruments potentially magnify losses in equity investments.

- Market illiquidity could negatively affect these investments.

- These investments may be subject to medium- and long-term commitments with restrictions on redemptions or returns of capital.

## Operational risks

### Risks relating to organisational structure

Tetragon has approved a very broad investment objective and the investment manager has substantial discretion when making investment decisions. In addition, the investment manager's strategies may not achieve Tetragon's investment objective.

Tetragon's listed shares do not carry any voting rights other than limited voting rights in respect of variation of their class rights. Tetragon's voting shares are owned by Polygon Credit Holdings II Limited which is a non-U.S. affiliate of Tetragon's investment manager and is ultimately controlled by Reade Griffith and Paddy Dear, who also majority own the investment manager. Pursuant to an agreement between Reade Griffith and Paddy Dear, Reade Griffith is the controller of Tetragon's voting shares and the investment manager. Tetragon's voting shares control the composition of the Board of Directors and exercise extensive influence over Tetragon's business and affairs.

Under Tetragon's Articles of Incorporation, a majority of its Directors are required to be independent (Independent Directors), satisfying in all material respects the UK Corporate Governance Code definition of that term. However, because the Board of Directors may generally take action only with the approval of five of its Directors, the Board of Directors generally are not able to act without the approval of both Directors who are affiliated with the holder of Tetragon's voting shares. The holder of the voting shares has the right to amend Tetragon's Articles of Incorporation to change these provisions regarding Independent Directors and to remove a Director from office for any reason. As a result of these provisions, the Independent Directors are limited in their ability to exercise influence over Tetragon's business and affairs.

Tetragon's organisational, ownership and investment structure creates significant conflicts of interest that may be resolved in a manner which is not always in the best interests of Tetragon or its shareholders.

Tetragon's Directors and its administrator may have conflicts of interest in the course of their duties.

Tetragon's ability to pay its expenses and dividends will depend on its earnings, financial condition, fair value of its assets and such other factors that may be relevant from time to time, including limitations under the Companies (Guernsey) Law, 2008, as amended.

## ◆ OTHER INFORMATION

# Risk factors

### Risks relating to Tetragon's investment manager

Tetragon's success depends on its continued relationship with its investment manager and its principals. If this relationship were to end or the principals or other key professionals were to depart, it could have a material adverse effect on Tetragon's business, investments and results of operations.

Tetragon is reliant on the skill and judgment of its investment manager in valuing and determining an appropriate purchase price for its investments. Any determinations of value that differ materially from the values Tetragon realises at the maturity of the investments or upon their disposal will likely have a negative impact on Tetragon and its share price.

Tetragon's arrangements with its investment manager were negotiated in the context of an affiliated relationship and may contain terms that are less favourable than those which otherwise might have been obtained from unrelated parties in an arm's-length negotiation.

The holders of Tetragon's listed shares will not be able to terminate its Investment Management Agreement with the investment manager, and the Investment Management Agreement may only be terminated by Tetragon in limited circumstances.

The liability of Tetragon's investment manager is limited under Tetragon's arrangements with it, and Tetragon has agreed to indemnify the investment manager against claims that it may face in connection with such arrangements, which may lead the investment manager to assume greater risks when making investment-related decisions than it otherwise would if investments were being made solely for its own account.

The investment manager does not owe fiduciary duties to Tetragon shareholders. However, these contractual limitations do not constitute a waiver of any obligations that

the investment manager has under applicable law, including the U.S. Investment Advisers Act of 1940 and related rules.

The investment manager may devote time and commitment to other activities.

The fees payable to the investment manager are based on changes in Tetragon's NAV, which will not necessarily correlate to changes in the market value of its listed shares.

Tetragon's compensation structure with its investment manager may encourage the investment manager to invest in high-risk investments. The management fee payable to the investment manager also creates an incentive for it to make investments and take other actions that increase or maintain Tetragon's NAV over the near term even though other investments or actions may be more favourable.

The compensation of the investment manager's personnel contains significant performance-related elements, and poor performance by Tetragon or any other entity for which the investment manager provides services may make it difficult for Tetragon's investment manager to retain staff.

Tetragon's investment manager relies on two entities that are part of Tetragon Partners for a broad range of services to support its activities. The services include (i) infrastructure services such as operations, financial control, trading, marketing and investor relations, legal, compliance, office administration, payroll and employee benefits and (ii) services relating to the dealing in and management of investments, arrangement of deals and advising on investments. Tetragon Partners has implemented a cost-allocation methodology with the objective of allocating service-related costs, including to Tetragon's investment manager, in a consistent, fair, transparent and commercially based manner. Tetragon Partners then charges fees to Tetragon's investment manager for the services allocated to it on a cost-recovery basis that is designed to achieve

full recovery of the allocated costs. Tetragon's Independent Directors, who are specifically mandated to approve, among other things, related-party transactions, are required to approve the methodology for allocating costs and in their sole discretion the application of that methodology as part of their oversight processes. As such, the annual cost allocation methodology update and the actual annual cost allocations that result based on these cost methodology policies and procedures are separately approved by the Independent Directors.

There are conflicts of interest created by contemporaneous trading by Tetragon's investment manager and investment managers that are part of Tetragon Partners.

### Risks relating to Tetragon's legal environment and regulation

Changes in laws or regulations or accounting standards, or a failure to comply with any laws and regulations or accounting standards, may adversely affect Tetragon's business, investments and results of operations.

Tetragon has and may become involved in litigation that may adversely affect Tetragon's business, investments and results of operations.

No formal corporate governance code applies to Tetragon under Dutch law and Tetragon reports against the AIC Corporate Governance Guide for Investment Companies (which incorporates the UK Corporate Governance Code) on a voluntary basis only.

The rights of the non-voting shareholders and the fiduciary duties owed by the Board of Directors to Tetragon will be governed by Guernsey law and its Articles of Incorporation and may differ from the rights and duties owed to companies under the laws of other countries.

Tetragon's non-voting shares are subject to restrictions on ownership by U.S. persons.

Tetragon's shares have not been and will not be registered under the United States Securities Act of 1933. Consequently, Tetragon shares may not be offered, sold or otherwise transferred within the United States or to, or for the account or benefit of, "U.S. persons" as defined in Regulation S under the Securities Act absent registration or an exemption from registration under the Securities Act. No public offering of any Tetragon shares is being, or has been, made in the United States.

Furthermore, Tetragon shares may not be held by any "benefit plan investor" that is subject to Title I of the United States Employee Retirement Income Security Act of 1974. Tetragon's Articles of Incorporation prohibit any "ERISA Person" from acquiring or holding Tetragon shares. The consequences of failing to comply with this prohibition include the divestment of the relevant shares and the forfeiture of any dividends previously received with respect to such shares, as well as any gains from their disposition.

These restrictions may adversely affect overall liquidity of Tetragon 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 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.

## ◆ OTHER INFORMATION

# Risk factors

**Risks relating to taxation**

United States investors may suffer adverse tax consequences because Tetragon is treated as a passive foreign investment company (PFIC) for U.S. federal income tax purposes.

Changes to tax treatment of derivative instruments may adversely affect Tetragon and certain tax positions it may take may be successfully challenged.

Investors may suffer adverse tax consequences if Tetragon is treated as resident in the United Kingdom or the United States for tax purposes.

**Risks relating to market disruption, terrorism and geopolitical risk**

Tetragon is subject to the risk that war, terrorism, climate change, social unrest and related and unrelated geopolitical and other new or novel market disrupting events as well as outbreaks of infectious disease, pandemics or any other serious public concerns, cumulatively "Market Disruption Events", may lead to increased short-term market volatility and have adverse long-term effects on world economies and markets generally, as well as adverse effects on the value of Tetragon's investments. Market Disruption Events as well as other changes in world economic, social and political conditions also are likely to adversely affect individual issuers or related groups of issuers, securities markets, interest rates, credit ratings, inflation, investor sentiment and other factors affecting the value of Tetragon's Portfolio Investments. At such times, Tetragon's exposure to a number of other risks described elsewhere in this section can increase. The investment manager's financial condition is likely to be adversely affected by a significant general economic downturn, and it may be subject to legal, regulatory, reputational and other unforeseen risks that are likely to have a material adverse effect on the investment manager's business, and operations, and thereby are likely to impact Tetragon. Moreover, a sustained downturn in the U.S. or global economy (or any particular segment thereof) or weakening of credit markets is likely to adversely affect Tetragon's profitability, impede the ability of a Portfolio Investment to perform under or refinance its existing obligations, and impair Tetragon's ability to effectively exit its investments on favourable terms. Any of the foregoing events is likely to result in substantial or total losses to Tetragon in respect of certain investments, which losses will likely be exacerbated by the presence of leverage in a particular Portfolio Investment.

Market Disruption Events, as well as other events beyond the control of the investment manager (such as acts of God and natural disasters) may cause contractual counterparties associated with Portfolio Investments to be affected by force majeure events, which could adversely affect the ability of a contractual counterparty associated with a Portfolio Investment to perform certain contractual obligations until the force majeure event is remedied. The cost to such counterparty or Tetragon of repairing or replacing assets damaged by a force majeure event could be substantial. Repeated or prolonged interruptions of contractual obligations resulting from a force majeure event may result in permanent loss of income opportunities, litigation, or penalties from regulatory or contractual non-compliance. Additionally, major regulatory intervention of an industry, including the assertion of control over a counterparty or its assets, may result in a loss to Tetragon. Therefore, any effects of force majeure events, including any of the foregoing, may adversely affect the performance of Tetragon.

Certain catastrophic losses, such as those caused by war, terrorist attacks, natural disasters and other acts of God may be uninsurable, or insurable only at such high rates that to have such coverage would adversely affect profitability of Tetragon. In particular, it has become harder and more expensive to obtain coverage against losses incurred by terrorist attacks and insurance proceeds from covered risks may be inadequate to completely, or even partially, cover resulting losses or increases in expenses. The occurrence of a significant loss for which Tetragon or its Portfolio Investments and/or counterparties are not insured, or where the cost of such loss significantly exceeds the insurance coverage, may adversely affect Tetragon and cause it to lose both invested capital and returns from an investment.

## ◆ OTHER INFORMATION

# Share repurchases and distributions

FIGURE 16

## Share repurchases and dividends history (\$ millions)

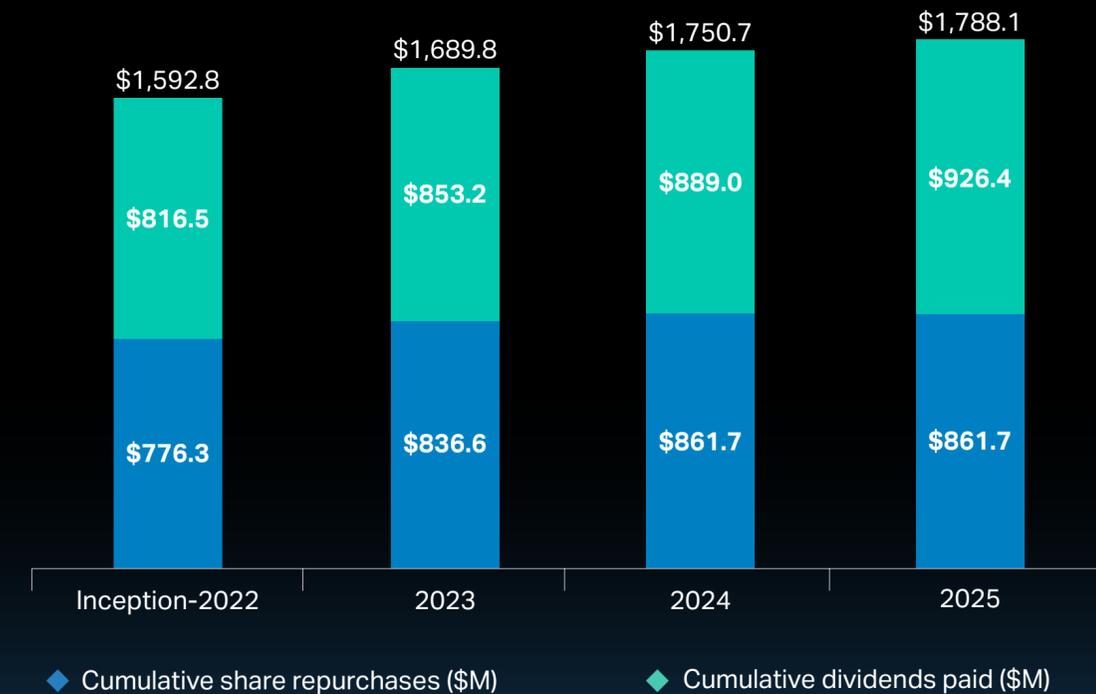
Year	Amount repurchased	Cumulative amount repurchased	Dividends	Cumulative dividends
2007	\$2.2	\$2.2	\$56.5	\$56.5
2008	\$12.4	\$14.5	\$60.4	\$117.0
2009	\$6.6	\$21.2	\$18.8	\$135.7
2010	\$25.5	\$46.7	\$37.5	\$173.3
2011	\$35.2	\$81.9	\$46.4	\$219.6
2012	\$175.6	\$257.5	\$51.5	\$271.1
2013	\$16.1	\$273.6	\$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	\$37.4	\$926.4
<b>TOTAL</b>	<b>\$861.7</b>		<b>\$926.4</b>	

- (i) Tetragon seeks to return value to its shareholders, including through dividends and share repurchases. Decisions with respect to declaration of dividends and share repurchases may be informed by a variety of considerations, including (i) the expected sustainability of the company's cash generation capacity in the short and medium term, (ii) the current and anticipated performance of the company, (iii) the current and anticipated operating and economic

environment, (iv) other potential uses of cash ranging from preservation of the company's investments and financial position to other investment opportunities and (v) Tetragon's share price. Cumulative dividends paid includes the cash and stock dividends paid to shareholders, but excludes dividends declared on shares held in escrow.

FIGURE 17

The below graph shows cumulative historical share repurchases and dividends distributed by Tetragon from inception to 31 December 2025 in millions of U.S. dollars.<sup>(i)</sup>



◆ OTHER INFORMATION

# Share reconciliation and shareholdings

FIGURE 18

## IFRS to Fully Diluted Shares Reconciliation

	Shares at 31 December 2025 (millions)
<b>Legal Shares Issued and Outstanding</b>	<b>139.7</b>
Less: Shares Held in Treasury	41.4
Less: Total Escrow Shares <sup>(1)</sup>	14.6
<b>IFRS Shares Outstanding</b>	<b>83.7</b>
Add: Dilution for equity-based awards <sup>(2)</sup>	9.2
<b>Fully Diluted Shares Outstanding</b>	<b>92.9</b>

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

(2) Dilution in relation to equity-based awards by Tetragon Partners for certain senior employees as well as equity-based awards by Tetragon to its Independent Directors. The basis and pace of recognition is expected to match the rate at which service is being provided to Tetragon Partners or Tetragon in relation to these shares. Please see "Equity-based employee compensation plans" on page 57 for more details. Certain of these persons may from time to time enter into purchases or sales trading plans (each a, "Fixed Trading Plan") providing for the sale of Vested Shares or the purchase of Tetragon shares in the market, or may otherwise sell their Vested Shares or purchase Tetragon shares, subject to

applicable compliance policies. Applicable brokerage firms may be authorised to purchase or sell Tetragon shares under the relevant Fixed Trading Plan pursuant to certain irrevocable instructions. Each Fixed Trading Plan is intended to comply with Rule 10b5-1 under the United States Securities Exchange Act of 1934, as amended. Each Fixed Trading Plan has been or will be approved by Tetragon in accordance with its applicable compliance policies. Rule 10b5-1 provides a "safe harbor" that is designed to permit individuals to establish a pre-arranged plan to buy or sell company stock if, at the time such plan is adopted, the individuals are not in possession of material, non-public information.

## Shareholdings

Persons affiliated with Tetragon maintain significant interests in Tetragon shares. As of 31 December 2025, the following persons own (directly or indirectly) interests in shares in Tetragon in the amounts set forth below:

FIGURE 19

Individual	Shareholding at 31 December 2025
Mr. Reade Griffith	19,804,753
Mr. Paddy Dear	6,119,244
Mr. David O'Leary	81,996
Mr. Steven Hart	50,958
Mr. Deron Haley	50,958
Other Tetragon/Tetragon Partners Employees	6,775,824
Equity-based awards <sup>(3)</sup>	3,189,491

(3) Equity-based awards are intended to give certain senior employees of Tetragon Partners 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/Tetragon Partners Employees". Please see page 57 for further details.

 OTHER INFORMATION

# Certain regulatory information

This annual report is made public by means of a press release, which contains inside information within the meaning of Article 7(1) of the EU Market Abuse Regulation, and 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](http://www.tetragoninv.com)).

An investment in Tetragon involves substantial risks. Please refer to Tetragon's website at [www.tetragoninv.com](http://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, Tetragon Partners has awarded Tetragon's non-voting shares to certain of its senior employees 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, Tetragon Partners 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 84 for details of the arrangements.

Periodically, Tetragon has awarded shares to the Independent Directors. Please see Note 12 'Share capital' on page 84 for details of the awards.

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 31 December 2025, approximately 9.2 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 GY1 1EJ  
Channel Islands

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

General Partner of the Investment Manager  
Tetragon Financial Management GP LLC  
399 Park Avenue, 22<sup>nd</sup> Floor  
New York, NY 10022  
United States of America

Investor Relations  
Yuko Thomas  
ir@tetragoninv.com

Press Inquiries  
Prosek Partners  
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Gategny Esplanade  
St. Peter Port, Guernsey GY1 1WR  
Channel Islands

Corporate Brokers  
J.P. Morgan Cazenove  
Jefferies International Limited

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

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

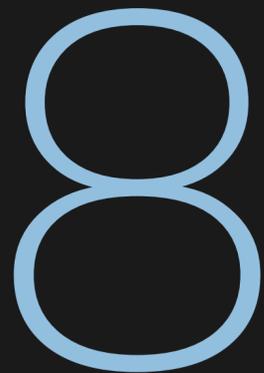
Legal Advisor (as to Guernsey law)  
Walkers (Guernsey) LLP  
Block B, Helvetia Court  
Les Echelons  
St. Peter Port  
Guernsey GY1 1AR  
Channel Islands

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

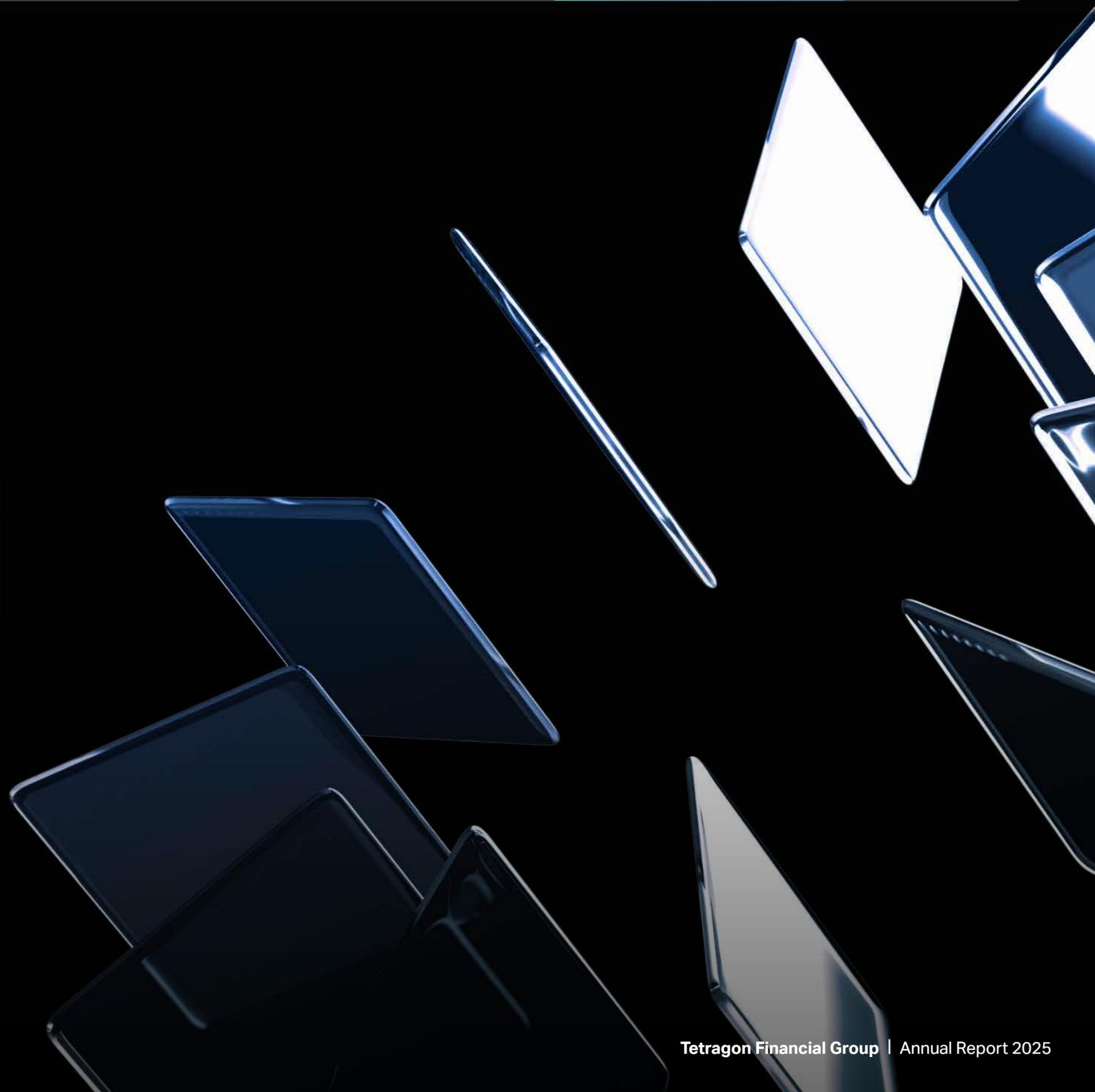
London Stock Exchange  
(Specialist Fund Segment)

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



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 FINANCIAL STATEMENTS

# Independent auditor's report to the members of Tetragon Financial Group Limited

## Report on the audit of the consolidated financial statements

### Our opinion is unmodified

We have audited the consolidated financial statements of Tetragon Financial Group Limited (the "Company") and its subsidiary (together, the "Group"), which comprise the consolidated statement of financial position as at 31 December 2025, the consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising material accounting policies and other explanatory information.

### In our opinion, the accompanying consolidated financial statements:

- give a true and fair view of the financial position of the Group as at 31 December 2025, and of the Group's financial performance and cash flows for the year then ended;
- are prepared in accordance with International Financial Reporting Standards as adopted by the EU; and
- comply with the Companies (Guernsey) Law, 2008.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company and Group in accordance with, UK ethical requirements including the FRC Ethical Standard as required by the Crown Dependencies' Audit Rules and Guidance. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

### Key audit matters: our assessment of the risks of material misstatement

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the consolidated financial statements and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by us, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In arriving at our audit opinion above, the key audit matter was as follows: *(see next page)*.

## ◆ FINANCIAL STATEMENTS

# Independent auditor's report to the members of Tetragon Financial Group Limited *(continued)*

### The risk

Valuation of Tetragon Partners and Ripple Labs, Inc ("Ripple") included within non-derivative financial instruments at fair value through profit or loss.

\$2,263.5 Million (2024: \$1,814.9 Million)

Refer to note 2 accounting policy and note 3 and 4 disclosures

### Basis:

As at 31 December 2025, the Group's investment in Tetragon Partners and Ripple represents 58.2% (2024: 57.2%) of the Group's net asset value.

Tetragon Partners is valued as a single investment, utilising a sum of the parts approach, whereby each of the asset managers owned by Tetragon Partners is valued separately.

This approach aggregates the fair value of the asset managers (including Equitix and other asset managers) held by Tetragon Partners using a combination of discounted cash flow models ("DCF") and Market Multiple approaches, overlaid by the central costs and net assets at the Tetragon Partners level.

Ripple is valued using a combination of prices observed on private platforms and broker quotes ("Price Quotes").

Independent third party valuation specialists (the "Valuation Agents") have been engaged to assist in the valuation process of Tetragon Partners and Ripple.

### Risk:

As Tetragon Partners and Ripple are unquoted and illiquid, in order to determine their fair value, management adopted a number of assumptions and data points which are unobservable in the market.

These include:

#### Key assumptions:

The Equitix weighted average cost of capital ("WACC") and EV/EBITDA multiple assumptions have a high degree of estimation uncertainty with a potential range of reasonable outcomes greater than our materiality for the consolidated financial statements as a whole.

#### Other assumptions and data points:

Whilst we do not consider other assumptions and data points to be at a significant risk of misstatement, due to the relevance of these elements in terms of the overall valuation and associated audit effort, the following areas also have had a significant effect on our audit approach:

- Equitix discount for lack of liquidity ("DLOL");
- Equitix forecast cashflows and it's related assumptions and data; and
- Price Quotes utilised in the valuation of Ripple.

The consolidated financial statements disclose in note 4 the sensitivities estimated by the Group.

### Our response

#### Our audit procedures included:

#### Control design:

We have obtained an understanding of the valuation process and tested the design and implementation of the valuation process control.

We performed the procedures below rather than seeking to rely on the control as the nature of the balance is such that we would expect to obtain audit evidence primarily through the detailed procedures described.

#### Challenging management's assumptions and inputs including use of KPMG valuation specialist:

With the support of a KPMG valuation specialist we:

- assessed the scope of the services provided by the Valuation Agents and read the valuation reports prepared by them;
- assessed the objectivity, capabilities and competence of the Valuation Agents;
- assessed the reasonableness of the methodology applied by the Valuation Agents in developing the fair value of Tetragon Partners, including Equitix, and in deriving a fair value range of Ripple;
- critically assessed the Equitix valuation provided by the Valuation Agent by challenging and corroborating the key and other assumptions, and by agreeing data points to supporting documentation or market information where available;
- assessed whether the WACC and the EV/EBITDA multiple employed in valuing Equitix were within a reasonable range independently developed based on market data;

- assessed the reasonableness of the Equitix DLOL rate employed based on market data and our KPMG valuation specialist's experience in valuing similar investments;
- assessed the reliability of forecast cashflows utilised in valuing Equitix, by assessing the historical accuracy of the Equitix cash flow forecasts against actual results;
- tested the relevance and reliability of Pricing Quotes used by management in valuing Ripple by corroborating these against available external observable data; and
- compared the fair value of Equitix and Ripple to the price of recent transactions.

#### Assessing disclosures:

We considered the adequacy of the disclosures made in the consolidated financial statements (see notes 2, 3 and 4) in relation to the use of estimates and judgements regarding the fair value of investments, the valuation estimation techniques inherent therein and fair value disclosures for compliance with IFRS as adopted by the EU.

## ◆ FINANCIAL STATEMENTS

# Independent auditor's report to the members of Tetragon Financial Group Limited *(continued)*

## Our application of materiality and an overview of the scope of our audit

Materiality for the consolidated financial statements as a whole was set at \$72.5 million, determined with reference to a benchmark of group net assets of \$3,891.8 million, of which it represents approximately 2% (2024: 2%).

In line with our audit methodology, our procedures on individual account balances and disclosures were performed to a lower threshold, performance materiality, so as to reduce to an acceptable level the risk that individually immaterial misstatements in individual account balances add up to a material amount across the financial statements as a whole. Performance materiality for the Group was set at 75% (2024: 75%) of materiality for the consolidated financial statements as a whole, which equates to \$54.3 million. We applied this percentage in our determination of performance materiality because we did not identify any factors indicating an elevated level of risk.

We reported to the Audit Committee any corrected or uncorrected identified misstatements exceeding \$3.63 million, in addition to other identified misstatements that warranted reporting on qualitative grounds.

Our audit of the Group was undertaken to the materiality level specified above, which has informed our identification of significant risks of material misstatement and the associated audit procedures performed in those areas as detailed above.

The group team performed the audit of the Group as if it was a single aggregated set of financial information. The audit was performed using the materiality level set out above and covered 100% of total group revenue, total group profit before tax, and total group assets and liabilities.

## Going concern

The Directors have prepared the consolidated financial statements on the going concern basis as they do not intend to liquidate the Group or the Company or to cease their operations, and as they have concluded that the Group and the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the consolidated financial statements (the "going concern period").

In our evaluation of the Directors' conclusions, we considered the inherent risks to the Group and the Company's business model and analysed how those risks might affect the Group and the Company's financial resources or ability to continue operations over the going concern period. The risks that we considered most likely to affect the Group and the Company's financial resources or ability to continue operations over this period were:

- Availability of capital to meet operating costs and other financial commitments; and
- The ability of the Group to comply with debt covenants.

We considered whether these risks could plausibly affect the liquidity in the going concern period by comparing severe, but plausible downside scenarios that could arise from these risks individually and collectively against the level of available financial resources indicated by the Group and Company's financial forecasts.

We considered whether the going concern disclosure in note 2 to the consolidated financial statements gives a full and accurate description of the Directors' assessment of going concern.

Our conclusions based on this work:

- we consider that the Directors' use of the going concern basis of accounting in the preparation of the consolidated financial statements is appropriate;
- we have not identified, and concur with the Directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Group and the Company's ability to continue as a going concern for the going concern period; and
- we found the going concern disclosure in the notes to the consolidated financial statements to be acceptable.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Group and the Company will continue in operation.

## Fraud and breaches of laws and regulations – ability to detect

### Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- enquiring of management as to the Group's policies and procedures to prevent and detect fraud as well as enquiring whether management have knowledge of any actual, suspected or alleged fraud;
- reading minutes of meetings of those charged with governance; and

- using analytical procedures to identify any unusual or unexpected relationships.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because the Group's revenue streams are simple in nature with respect to accounting policy choice, and are easily verifiable to external data sources or agreements with little or no requirement for estimation from management. We did not identify any additional fraud risks.

We performed procedures including:

- Identifying journal entries and other adjustments to test based on risk criteria and comparing any identified entries to supporting documentation; and
- incorporating an element of unpredictability in our audit procedures.

### Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the consolidated financial statements from our sector experience and through discussion with management (as required by auditing standards), and from inspection of the Company's regulatory and legal correspondence, if any, and discussed with management the policies and procedures regarding compliance with laws and regulations. As the Company is regulated, our assessment of risks involved gaining an understanding of the control environment including the entity's procedures for complying with regulatory requirements.

## ◆ FINANCIAL STATEMENTS

# Independent auditor's report to the members of Tetragon Financial Group Limited *(continued)*

The Group and the Company are subject to laws and regulations that directly affect the consolidated financial statements including financial reporting legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

The Group and the Company are subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the consolidated financial statements, for instance through the imposition of fines or litigation or impacts on the Group and the Company's ability to operate. We identified financial services regulation as being the area most likely to have such an effect, recognising the regulated nature of the Group's activities and its legal form. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of management and inspection of regulatory and legal correspondence, if any. Therefore if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

### Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the consolidated financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the consolidated financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remains a higher risk of non-detection of fraud, as this may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

### Other information

The Directors are responsible for the other information. The other information comprises the information included in the annual report but does not include the consolidated financial statements and our auditor's report thereon. Our opinion on the consolidated financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### We have nothing to report on other matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies (Guernsey) Law, 2008 requires us to report to you if, in our opinion:

- the Company has not kept proper accounting records; or
- the consolidated financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations, which to the best of our knowledge and belief are necessary for the purpose of our audit.

### Respective responsibilities

#### Directors' responsibilities

As explained more fully in their statement set out on pages 44 and 45, the Directors are responsible for: the preparation of the consolidated financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error; assessing the Group and Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

#### Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic

decisions of users taken on the basis of the consolidated financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

### The purpose of this report and restrictions on its use by persons other than the Company's members, as a body

This report is made solely to the Company's members, as a body, in accordance with section 262 of the Companies (Guernsey) Law, 2008. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

### Report on Regulatory Requirements

#### European Single Electronic Format (ESEF)

The Group has prepared its annual report in ESEF. The requirements for this format are set out in the Commission Delegated Regulation (EU) 2019/815 with regard to regulatory technical standards on the specification of a single electronic reporting format (these requirements are hereinafter referred to as: the "RTS on ESEF").

In our opinion, the annual report prepared in the XHTML format, including the tagged consolidated financial statements as included in the reporting package by the Group, has been prepared in all material respects in accordance with the RTS on ESEF.

 FINANCIAL STATEMENTS

# Independent auditor's report to the members of Tetragon Financial Group Limited *(continued)*

The Directors are responsible for preparing the annual report including the consolidated financial statements in accordance with the RTS on ESEF, whereby the Directors combine the various components into a single reporting package. Our responsibility is to obtain reasonable assurance for our opinion whether the annual report in this reporting package, is in accordance with the RTS on ESEF.

Our procedures included:

- Obtaining an understanding of the Group's financial reporting process, including the preparation of the reporting package;
- Obtaining the reporting package and performing validations to determine whether the reporting package containing the Inline XBRL instance document and the XBRL extension taxonomy files have been prepared in accordance with the technical specifications as included in the RTS on ESEF;
- Examining the information related to the consolidated financial statements in the reporting package to determine whether all required taggings have been applied and whether they are in accordance with the RTS on ESEF.

**Barry Ryan**

**For and on behalf of KPMG Audit Limited**  
*Chartered Accountants and Recognised Auditors*

Guernsey

5 March 2026

## ◆ FINANCIAL STATEMENTS

### Consolidated Statement of Financial Position

As of		31 Dec 2025	31 Dec 2024
	Note	\$M	\$M
<b>Assets</b>			
Non-derivative financial assets at fair value through profit or loss	4	4,207.8	3,504.3
Derivative financial assets	4	10.0	18.7
Other receivables and prepayments	7	11.6	5.2
Amounts due from brokers		-	6.2
Cash and cash equivalents	6	27.1	30.5
<b>Total assets</b>		<b>4,256.5</b>	<b>3,564.9</b>
<b>Liabilities</b>			
Loans and borrowings	10	350.0	300.0
Derivative financial liabilities	4	7.0	0.1
Other payables and accrued expenses	9	4.5	38.1
Amounts due to brokers	8	3.2	53.7
<b>Total liabilities</b>		<b>364.7</b>	<b>391.9</b>
<b>Net assets</b>		<b>3,891.8</b>	<b>3,173.0</b>
<b>Equity</b>			
Share capital		0.1	0.1
Other equity		758.7	735.4
Share-based compensation reserve	12	102.8	97.9
Retained earnings		3,030.2	2,339.6
		<b>3,891.8</b>	<b>3,173.0</b>
<b>Shares outstanding</b>			
Number of shares (million)	12	83.7	82.0
<b>Net Asset Value per share (\$)</b>		<b>46.51</b>	<b>38.69</b>

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

### Consolidated Statement of Comprehensive Income

For the year ended		31 Dec 2025	31 Dec 2024
	Note	\$M	\$M
Net gain on non-derivative financial assets at fair value through profit or loss		1,088.3	504.3
Net (loss)/gain on derivative financial assets and liabilities		(61.0)	15.5
Net (loss)/gain on foreign exchange		(0.3)	0.3
Interest income		0.1	0.9
<b>Total income</b>		<b>1,027.1</b>	<b>521.0</b>
Management fee	15	(51.9)	(43.3)
Incentive fee	11	(196.7)	(87.3)
Legal and professional fees		(2.6)	(3.0)
Share-based employee compensation	12	(14.5)	(5.5)
Audit fees		(0.8)	(0.7)
Other operating and administrative expenses		(3.7)	(3.6)
<b>Operating expenses</b>		<b>(270.2)</b>	<b>(143.4)</b>
<b>Operating profit before finance costs</b>		<b>756.9</b>	<b>377.6</b>
Finance costs	10	(27.3)	(25.4)
<b>Profit and total comprehensive income for the year</b>		<b>729.6</b>	<b>352.2</b>
<b>Earnings per share</b>		<b>\$</b>	<b>\$</b>
Basic	16	8.36	4.13
Diluted	16	7.59	3.94
<b>Weighted average shares outstanding</b>		<b>Million</b>	<b>Million</b>
Basic	16	87.3	85.3
Diluted	16	96.1	89.4

The accompanying notes are an integral part of the Consolidated Financial Statements.

## ◆ FINANCIAL STATEMENTS

### Consolidated Statement of Changes in Equity

	Note	Share capital \$M	Other equity \$M	Retained earnings \$M	Share-based compensation reserve \$M	Total \$M
<b>As of 1 January 2024</b>		<b>0.1</b>	<b>722.3</b>	<b>2,032.0</b>	<b>71.0</b>	<b>2,825.4</b>
Profit and total comprehensive income for the year		-	-	352.2	-	352.2
<b>Transactions with owners recognised directly in equity</b>						
Shares transferred to escrow	12	-	-	-	54.2	54.2
Shares released from escrow	12	-	32.8	-	(32.8)	-
Dividends on shares released from escrow	12	-	8.9	(8.9)	-	-
Share-based compensation	12	-	-	-	5.5	5.5
Cash dividends	12	-	-	(21.7)	-	(21.7)
Stock dividends	12	-	14.0	(14.0)	-	-
Purchase of treasury shares	12	-	(42.6)	-	-	(42.6)
<b>As of 31 December 2024</b>		<b>0.1</b>	<b>735.4</b>	<b>2,339.6</b>	<b>97.9</b>	<b>3,173.0</b>
Profit and total comprehensive income for the year		-	-	729.6	-	729.6
<b>Transactions with owners recognised directly in equity</b>						
Shares released from escrow	12	-	9.6	-	(9.6)	-
Dividends on shares released from escrow	12	-	2.6	(2.6)	-	-
Share-based compensation	12	-	-	-	14.5	14.5
Cash dividends	12	-	-	(23.7)	-	(23.7)
Stock dividends	12	-	12.7	(12.7)	-	-
Purchase of treasury shares	12	-	(1.6)	-	-	(1.6)
<b>As of 31 December 2025</b>		<b>0.1</b>	<b>758.7</b>	<b>3,030.2</b>	<b>102.8</b>	<b>3,891.8</b>

The accompanying notes are an integral part of the Consolidated Financial Statements.

### Consolidated Statement of Cash Flows

For the year ended	31 Dec 2025 \$M	31 Dec 2024 \$M
<b>Operating activities</b>		
Profit for the year	729.6	352.2
<b>Adjustments for:</b>		
Gains on investments and derivatives	(1,027.3)	(519.8)
Share-based compensation	14.5	5.5
Interest income	(0.1)	(0.9)
Finance costs	27.3	25.4
<b>Operating cash flows before movements in working capital</b>	<b>(256.0)</b>	<b>(137.6)</b>
Increase in receivables	(6.4)	(0.5)
(Decrease)/Increase in payables	(33.6)	16.0
Decrease in amounts due from brokers	6.2	1.0
(Decrease)/Increase in amounts due to brokers	(50.5)	53.7
<b>Cash flows from operations</b>	<b>(340.3)</b>	<b>(67.4)</b>
Proceeds from sale/prepayment/maturity of investments	710.2	445.8
Net payments for derivative financial instruments	(46.5)	(6.3)
Purchase of investments	(324.3)	(325.9)
Cash interest received	0.1	0.9
<b>Net cash (used in)/generated from operating activities</b>	<b>(0.8)</b>	<b>47.1</b>
<b>Financing activities</b>		
Repayment of loans and borrowings	-	(100.0)
Proceeds from loans and borrowings	50.0	150.0
Finance costs paid	(27.3)	(25.4)
Purchase of treasury shares	(1.6)	(42.6)
Dividends paid to shareholders	(23.7)	(21.7)
<b>Net cash used in financing activities</b>	<b>(2.6)</b>	<b>(39.7)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(3.4)</b>	<b>7.4</b>
Cash and cash equivalents at beginning of year	30.5	23.1
<b>Cash and cash equivalents at end of year</b>	<b>27.1</b>	<b>30.5</b>

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: Material accounting policies

#### Basis of preparation

The Consolidated Financial Statements of the Fund (the Financial Statements) have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU) and comply with the Companies (Guernsey) Law, 2008 and give a true and fair view.

The Financial Statements have been prepared on a historical cost basis, except for derivative financial instruments and certain non-derivative financial assets and financial liabilities held at fair value through profit or loss (FVTPL) that have been measured at fair value. The accounting policies have been consistently applied to all periods presented in these Financial Statements.

The Financial Statements are presented in United States Dollars (USD or \$), which is the functional currency of the Fund, expressed in USD millions (\$M) (unless otherwise noted). The share capital of the Fund and the majority

of its investments are denominated in USD. Most of the expenses and fees paid by the Fund are in USD. Hence, the Directors have determined that USD, as functional and presentational currency, reflects the Fund's primary economic environment.

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 holds the collateral for the revolving credit facility. This 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 this 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 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 reasonable plausible downside scenarios in preparing 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 new standard introduces the following key new requirements:

- Entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present a newly defined operating profit subtotal. Entities' net profit will not change as a result of applying IFRS 18.
- Management defined performance measures (MPMs) are disclosed in a single note in the Financial Statements.
- Enhanced guidance is provided on how to group information in the Financial Statements.

The Fund is in the process of assessing the impact of the new accounting standard, particularly with respect to the additional disclosures required for MPMs.

#### Foreign currency translation

Transactions in foreign currencies are translated to the Fund's functional currency at the foreign currency exchange rate ruling at the date of the transaction. All assets and liabilities denominated in foreign currencies are translated to USD at the foreign currency closing exchange rate ruling at the reporting date.

Foreign currency exchange differences arising on translation and realised gains and losses on disposals or settlements of monetary assets and liabilities are recognised as net foreign exchange gain/(loss) in the Consolidated Statement of

Comprehensive Income except for those arising on financial instruments at FVTPL which are recognised as components of net gain/(loss) on non-derivative financial assets at FVTPL and derivative instruments which are recognised as components of net gain/(loss) on derivative financial assets and financial liabilities.

#### Financial instruments

##### (i) Classification

The Fund classifies its financial assets and financial liabilities at initial recognition into the following categories, in accordance with IFRS 9 *Financial Instruments* (IFRS 9).

##### *Financial assets at amortised cost*

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- it has contractual terms which give rise, on specified dates, to cash flows that are solely payments of principal and interest outstanding.

The Fund includes in this category cash and cash equivalents, amounts due from brokers, receivable for securities sold and other sundry receivables. These assets are held with an intention to collect the principal and interest payments.

##### *Financial assets and liabilities at FVTPL*

All financial assets not classified as measured at amortised cost are measured at FVTPL. Financial liabilities attached to derivatives are also measured at FVTPL.

Investments in derivatives, collateralised loan obligations (CLOs), listed and unlisted stock, investment funds and vehicles and Tetragon Partners are included in this category.

## ◆ NOTES TO THE FINANCIAL STATEMENTS

### Note 2: Material accounting policies (continued)

#### Other financial liabilities at amortised cost

This category includes all financial liabilities, other than those classified as at FVTPL. The Fund includes in this category loans and borrowings, amounts due to brokers, and other payables and accrued expenses.

#### (ii) Recognition

The Fund recognises a financial asset or a financial liability when it becomes a party to the contractual provisions of the instrument. Purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date (i.e. the date that the Fund commits to purchase or sell the asset).

#### (iii) Initial measurement

Financial assets and financial liabilities at FVTPL are initially recognised in the Consolidated Statement of Financial Position at fair value. All transaction costs for such instruments are recognised immediately through profit or loss. Financial assets and liabilities (other than those classified as at FVTPL) are measured initially at their fair value adjusted for any directly attributable incremental costs of acquisition or issue.

#### (iv) Subsequent measurement

After initial measurement, the Fund re-measures financial instruments which are classified as at FVTPL at fair value. Subsequent changes in the fair value of those financial instruments are recorded in net gain/(loss) on non-derivative financial assets at FVTPL in the Consolidated Statement of Comprehensive Income. Subsequent changes in fair value of derivative instruments are recorded in net gain/(loss) on derivative financial assets and liabilities in the Consolidated Statement of Comprehensive Income. Receivables are carried at amortised cost less any allowance for impairment

with any impairment losses arising being included in profit or loss. Financial liabilities, other than those classified as at FVTPL, are measured at amortised cost using the effective interest method.

#### (v) Derecognition

A financial asset (or, where applicable, a part of a financial asset or a part of a group of similar financial assets) is derecognised where (i) the rights to receive cash flows from the asset have expired, or (ii) the Fund has either transferred its rights to receive cash flows from the asset, or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement and in either cases in (ii): (a) the Fund has transferred substantially all of the risks and rewards of the asset; or (b) the Fund has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Fund has transferred its right to receive cash flows from an asset (or has entered into a pass-through arrangement) and has neither transferred nor retained substantially all of the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Fund's continuing involvement in the asset. In that case, the Fund also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Fund has retained.

The Fund derecognises a financial liability when the obligation under the liability is discharged, cancelled or expired.

#### (vi) Impairment

The Fund recognises loss allowances for expected credit losses (ECL) on financial assets at amortised cost.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Fund considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Fund's historical experience and informed credit assessment and including forward-looking information.

#### Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the Consolidated Statement of Financial Position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously.

#### Fair value measurement

The Fund measures all its investments and derivatives, at fair value at each reporting date. IFRS 13 Fair Value Measurements defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or, in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible to the Fund. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The fair value for financial instruments traded in active markets at the reporting date is based on their quoted price without any deduction for transaction costs. A market is regarded as "active" if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

For all other financial instruments not traded in an active market, the fair value is determined by using observable inputs where available and valuation techniques deemed to be appropriate in the circumstances. Refer to Note 4 for the valuation techniques used.

For assets and liabilities that are measured at fair value on a recurring basis, the Fund identifies transfers between levels in the hierarchy by re-assessing the categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) and deems transfers to have occurred at the end of each reporting period.

#### Amounts due from/to brokers

Amounts due from brokers include margin accounts which represent cash pledged as collateral on the forward foreign exchange contracts, credit default swaps and contracts for difference. Amounts due to brokers include cash advances obtained from the brokers by pledging certain investments. Refer to the accounting policy for financial instruments for recognition and measurement.

#### Cash and cash equivalents

Cash comprises current deposits with banks. Cash equivalents comprise of short-term highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

## ◆ NOTES TO THE FINANCIAL STATEMENTS

### Note 2: Material accounting policies (*continued*)

#### Net gain or loss on non-derivative financial assets and liabilities at FVTPL

Net gains or losses on non-derivative financial assets at FVTPL are changes in the fair value of financial assets and financial liabilities at FVTPL and include related interest, dividends and foreign exchange gains or losses.

#### Interest income

Interest income arising on cash and cash equivalents is recognised in the Consolidated Statement of Comprehensive Income using the effective interest method.

#### Finance costs

Interest and fees charged on borrowings are recognised through profit or loss in the Consolidated Statement of Comprehensive Income using the effective interest method.

#### Expenses

Expenses and fees, including Directors' fees, are recognised through profit or loss in the Consolidated Statement of Comprehensive Income on the accruals basis.

#### Taxation

The Fund is exempt from Guernsey income tax under the Income Tax (Exempt Bodies) (Guernsey) Ordinance 1989 and is charged GBP 1,600 per annum (2024: GBP 1,600).

#### Dividend distribution

Dividend distributions are recognised in the Consolidated Statement of Changes in Equity, when the shareholders' right to receive the payment is established.

#### Share-based payment transactions

Share-based compensation expense for all equity-settled share-based payment awards granted is determined based on the grant-date fair value. The Fund recognises these compensation costs net of an estimated forfeiture rate and recognises compensation cost only for those shares expected to meet the service and non-market performance

vesting conditions, on a graded vesting basis over the requisite service period of the award. These compensation costs are determined at the individual vesting tranche level for service-based awards and debited as expense in the Consolidated Statement of Comprehensive Income with a corresponding credit in share-based compensation reserve. Shares contributed to escrow controlled by an unconsolidated subsidiary are debited to the cost of investment in that subsidiary and credited to share-based compensation reserve.

When the shares are issued, the fair value of the shares, as determined at the time of the award, is debited against the share-based compensation reserve and credited to other equity in the Consolidated Statement of Changes in Equity. Any associated stock dividends accrued on the original award are debited against retained earnings and credited to other equity using the value determined by the stock reference price at the date of each applicable dividend.

#### Other equity

Other equity contains the share premium and treasury shares balances.

#### Operating segments

An operating segment is a component of the Fund that engages in business activities from which it may earn revenues and incurs expenses, whose operating results are regularly reviewed by the Fund's chief operating decision maker and for which discrete financial information is available. The chief operating decision maker for the Fund is the Board of Directors. The Fund has considered the information reviewed by the Fund's chief operating decision maker and determined that there is only one operating segment in existence.

### Note 3: Significant accounting judgements, estimates and assumptions

The preparation of the Fund's Financial Statements requires management to make judgements, estimates and assumptions that affect the reported amounts recognised in the Financial Statements and disclosure of contingent liabilities. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in future periods.

In the process of applying the Fund's accounting policies, management has made the following judgements, estimates and assumptions which have the most significant effect on the amounts recognised in the Financial Statements:

#### Investment entity status

The Board of Directors have determined that the Fund meets the definition of an investment entity as per IFRS 10. Entities that meet the definition of an investment entity within IFRS 10 are generally required to measure their subsidiaries at FVTPL rather than consolidate them. The Fund consolidates Tetragon Financial Group (Delaware) LLC as this 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 this subsidiary eliminated.

Tetragon obtained funds from investors for the purpose of providing investment management services. The Fund's investment objective is to generate distributable income and capital appreciation. The Fund reports to its investors via monthly, semi-annual, and annual investor information, and to its management, via internal management reports, on a fair value basis. The Fund has a documented exit strategy for all of its investments.

#### Measurement of fair values

The Fund based its assumptions and estimates on parameters available at the year-end when the Financial Statements were prepared; however, existing circumstances and assumptions about future developments may change due to market changes and circumstances arising beyond the control of the Fund. Such changes are reflected in the assumptions when they occur. For detailed information on the estimates and assumptions used to determine the fair value of financial instruments, please refer to 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)

#### 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 31 December 2025:

Non-derivative financial assets at FVTPL	Level 1	Level 2	Level 3	Total fair value
	\$M	\$M	\$M	\$M
Tetragon Partners (formerly TFG Asset Management)	-	-	1,754.2	1,754.2
Investment funds and vehicles	-	893.7	635.8	1,529.5
Unlisted stock	-	-	531.7	531.7
Listed stock	351.0	-	-	351.0
CLO equity tranches <sup>(1)</sup>	-	-	36.7	36.7
CLO debt tranches <sup>(1)</sup>	-	4.7	-	4.7
<b>Total non-derivative financial assets at FVTPL</b>	<b>351.0</b>	<b>898.4</b>	<b>2,958.4</b>	<b>4,207.8</b>
<b>Derivative financial assets</b>				
Currency options	-	8.7	-	8.7
Forward foreign exchange contracts	-	1.3	-	1.3
<b>Total derivative financial assets</b>	<b>-</b>	<b>10.0</b>	<b>-</b>	<b>10.0</b>
<b>Derivative financial liabilities</b>				
Contracts for difference	-	(0.5)	-	(0.5)
Forward foreign exchange contracts	-	(6.5)	-	(6.5)
<b>Total derivative financial liabilities</b>	<b>-</b>	<b>(7.0)</b>	<b>-</b>	<b>(7.0)</b>

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

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	Level 2	Level 3	Total fair value
	\$M	\$M	\$M	\$M
Tetragon Partners (formerly 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 <sup>(1)</sup>	-	-	85.0	85.0
CLO debt tranches <sup>(1)</sup>	-	5.5	-	5.5
<b>Total non-derivative financial assets at FVTPL</b>	<b>207.5</b>	<b>774.2</b>	<b>2,522.6</b>	<b>3,504.3</b>
<b>Derivative financial assets</b>				
Contracts for difference	-	0.3	-	0.3
Currency options	-	1.5	-	1.5
Forward foreign exchange contracts	-	16.9	-	16.9
<b>Total derivative financial assets</b>	<b>-</b>	<b>18.7</b>	<b>-</b>	<b>18.7</b>
<b>Derivative financial liabilities</b>				
Forward foreign exchange contracts	-	(0.1)	-	(0.1)
<b>Total derivative financial liabilities</b>	<b>-</b>	<b>(0.1)</b>	<b>-</b>	<b>(0.1)</b>

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

#### Transfers between levels

No.	From	To	Fair Value (\$M) 31 Dec 2025	Reasons for transfer
1	Level 1	Level 3	19.0	De-listed from active exchange
2	Level 3	Level 1	4.4	Listed on active exchange following IPO

#### 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 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 at 31 December 2025:

	CLO equity tranches	Unlisted stock	Investment funds and vehicles	Tetragon Partners	Total
	\$M	\$M	\$M	\$M	\$M
Balance at 1 January 2025	85.0	254.9	609.9	1,572.8	2,522.6
Additions	-	-	62.7	65.5	128.2
Proceeds	(25.6)	(65.8)	(53.1)	(272.1)	(416.6)
Transfers	-	14.6	-	-	14.6
Net (losses)/gains through profit or loss	(22.7)	328.0	16.3	388.0	709.6
<b>Balance at 31 December 2025</b>	<b>36.7</b>	<b>531.7</b>	<b>635.8</b>	<b>1,754.2</b>	<b>2,958.4</b>
Change in unrealised gains/(losses) through profit or loss for assets held at year-end	(23.6)	268.7	29.4	138.3	412.8

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

	CLO equity tranches	Unlisted stock	Investment funds and vehicles	Tetragon Partners	Total
	\$M	\$M	\$M	\$M	\$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
<b>Balance at 31 December 2024</b>	<b>85.0</b>	<b>254.9</b>	<b>609.9</b>	<b>1,572.8</b>	<b>2,522.6</b>
Change in unrealised gains/(losses) through profit or loss for assets held at year-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 of independent Directors, from time to time.

For certain investments, such as Tetragon Partners, 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

##### Tetragon Partners (formerly TFG Asset Management)

The Fund owns a 100% interest in Tetragon Partners which holds majority and minority private equity stakes in asset management companies. The valuation calculation for Tetragon Partners was prepared by a third-party valuation agent engaged by the Fund's Audit Committee. Although Tetragon Partners 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 Tetragon Partners, overlaying the central costs and net assets at Tetragon Partners level, and adding the fair value of the infrastructure platform that Tetragon Partners provides to asset management businesses. Currently, no premium has been attributed to the valuation of Tetragon Partners 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. 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).

◆ **NOTES TO THE FINANCIAL STATEMENTS**

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

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 17 October 2025, Tetragon closed the sale of a minority stake in Equitix to Hunter Point Capital, or HPC, an independent investment firm providing capital solutions and strategic support to alternative asset managers. HPC acquired a 16.1% stake in the business at an implied enterprise value of £1.3 billion, excluding net debt. HPC's stake was acquired from two existing shareholders: approximately 14.6% from Tetragon Partners and 1.5% from Equitix management. Tetragon Partners' remaining 66.4% stake is valued using a combination of DCF 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. LCM's AUM stands at \$6.6 billion as of 31 December 2025, 25% lower than the 31 December 2024 AUM of \$8.8 billion, due to amortisation of the existing deals and no new deal added in 2025. Due to the recent cadence of new CLO issuance by LCM, the future capital raising assumptions were reduced. Both factors resulted in a lower EBITDA for the Market Multiple approach and lower

future cash flows used in the DCF approach. Furthermore, the discount rate used in the DCF valuation increased by 150 basis points and the EBITDA multiple used in the Market Multiple approach was reduced from 12.5x to 10.9x. During the year, Tetragon's investment in LCM made an unrealised loss of \$116.5 million as the valuation reflected the factors described above.

As of 31 December 2025, Tetragon Partners held approximately 13% interest in BGO, subject to a call/put agreement. The valuation of \$325.1 million consists of \$258.4 million of expected value to be received from the exercise of the call option by Sun Life and related payments, and \$66.7 million of carried interest. The exercise price is based on the average EBITDA of BGO during the two years prior to exercising the option. On 27 February 2026, the call was exercised by Sun Life with the transaction settling in March 2026.

Other asset managers are valued using a combination of DCF, replacement cost and liquidation approaches.

The following table shows the unobservable inputs used by the third-party valuation agent in valuing Tetragon Partners. For the purposes of IAS 1 Presentation of Financial Statements, only the inputs related to Equitix (WACC and EV/EBITDA multiple) are significant.

**31 December 2025**

Investment	Fair value \$M	AUM (\$ billion)	Valuation methodology	Significant unobservable inputs			
				WACC	EV/EBITDA multiple	DLOL	Forecast 5Y CAGR
Equitix (WACC and EV/EBITDA multiple)	1,149.1	16.6	DCF and Market Multiples	10.5%	14.0x	3%	10.4% (AUM)
BGO	325.1	11.5	DCF (sum-of-the-parts)	3.42%-11.75%	14.0x	1-15%	NA
LCM	107.1	6.6	DCF and Market Multiples	12.25%	10.9x	15%	6.0% (AUM)
Other asset managers	172.9	6.6	DCF, replacement cost	11.5%-13.5%	NA	15-20%	8.2% - 17.5% (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%-11.5%	13.5x	5-15%	NA
LCM	223.6	8.8	DCF and Market Multiples	10.75%	12.5x	15%	10.2% (AUM)
Other asset managers	136.6	6.3	DCF, replacement cost	10.75%-13%	NA	15-20%	9.0% (AUM)

## ◆ NOTES TO THE FINANCIAL STATEMENTS

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

#### Sensitivity analysis

##### 31 December 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	113.5	(89.2)	32.7	(32.7)	35.0*	(58.3)	5.9	(5.8)
BGO	2.3	(2.2)	NA	NA	3.9	(3.9)	NA	NA
LCM	5.3	(4.3)	5.9	(5.9)	5.6	(5.6)	1.9	(1.7)
Other asset managers	9.0	(7.5)	NA	NA	6.0	(6.0)	9.3	(9.0)

\*DLOL applied to Equitix is 300 bps. So, the -500 bps scenario shows the effect of bringing it down to zero from 300 bps.

##### 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 fair value hierarchy for the investment funds is determined by the fair value hierarchy of the underlying investments.

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 \$63.6 million (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 31 December 2025, Tetragon holds approximately 3.4 million (2024: 3.5 million) Series A & B preferred stock in Ripple Labs, Inc., or Ripple. The Ripple stock is unlisted but trades on private platforms. These shares have been valued

#### Input assumptions

Constant Annual Default Rate (CADR)	3.0% for the next twelve months, 2.4% thereafter (2024: 3.0%, 2.4%)
Recovery Rate	65% (2024: 65%).
Prepayment Rate	20% (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 (2024: 377 bps).

at \$150 per share (2024: \$64.50) or \$509.3 million (2024: \$242.1 million) using a combination of prices observed on private platforms and broker quotes.

Tetragon holds other unlisted stock with fair value of \$25.0 million (2024: \$10.0 million), valued using the most appropriate methodology applicable to that particular investment such as pricing from latest financing round and expected value of future cash flows.

#### Sensitivity analysis:

Using the lower end of the range of prices published on the private platforms (\$130 per share) would reduce the Fund's NAV and profits by \$69.1 million. Using the higher end of range (\$162 per share) would increase the Fund's NAV and profits by \$40.7 million.

#### Listed stock

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

#### 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 31 December 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.

◆ NOTES TO THE FINANCIAL STATEMENTS

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

When determining the fair value of the equity tranches, a discount rate is applied to the expected future cash flows derived from the third-party valuation model. The discount rate applied to those future cash flows reflects the perceived level of risk that would be used by another market participant in determining fair value. In determining the discount rates to use, an analysis of the observable risk premium data as well as the individual deal's structural strength and credit quality is undertaken. At 31 December 2025, a discount rate of 12% (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 13.6% (2024: 16.2%). If the deal is past six months from the end of its reinvestment period, a discount rate of 14% (2024: 14%) is applied. A 20% discount rate (2024: not applicable) is applied to deals with BB-rated loans market value overcollateralisation test below 100%. Any change to the input assumptions would not produce a material effect on the NAV or profits of the Fund.

**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.

**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: Interest in other entities**

**Investment in unconsolidated structured entities**

IFRS 12 defines a structured entity as an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to the administrative tasks only and the relevant activities are directed by means of contractual agreements.

The Fund holds various investments in CLOs and investment funds. The fair value of the CLOs and investment funds is recorded in the non-derivative financial assets at fair value through profit or loss line in the Consolidated Statement of Financial Position. The Fund's maximum exposure to loss from these investments is equal to their total fair value and, if applicable, unfunded commitments. Once the Fund has disposed of its holding in any of these investments, the Fund ceases to be exposed to any risk from that investment. The Fund has not provided and would not be required to provide any financial support to these investees. The investments are non-recourse. Please refer to Note 14 for details of unfunded commitments.

Below is a summary of the Fund's holdings in subsidiary unconsolidated structured entities.

As of 31 December 2025:	No. of investments	Range of nominal \$M	Carrying value \$M	Percentage of Tetragon's NAV
<b>CLO equity</b>				
U.S. CLOs <sup>(1)</sup>	19	59.4–510.2	36.7	0.9%
<b>Investment funds</b>				
<b>Total NAV</b>				
\$M				
Westbourne River Event Fund <sup>(2)</sup>	2	512.5	474.9	12.2%
Tetragon Global Equities Fund <sup>(2)</sup>	1	6.4	6.4	0.2%
Tetragon Credit Income funds <sup>(3)</sup>	4	244.0	42.4	1.1%
Hawke's Point Holdings LP <sup>(3)</sup>	2	389.4	364.9	9.4%
Banyan Square Capital Partners funds <sup>(3)</sup>	2	183.7	182.3	4.7%
Other real estate <sup>(4)</sup>	4	38.6	38.6	1.0%

As of 31 December 2024:	No. of investments	Range of nominal \$M	Carrying value \$M	Percentage of Tetragon's NAV
<b>CLO equity</b>				
U.S. CLOs <sup>(1)</sup>	21	67.0–510.2	80.6	2.5%
<b>Investment funds</b>				
<b>Total NAV</b>				
\$M				
Westbourne River Event Fund <sup>(2)</sup>	2	502.1	463.6	14.6%
Tetragon Global Equities Fund <sup>(2)</sup>	1	5.4	5.4	0.2%
Tetragon Credit Income funds <sup>(3)</sup>	3	415.5	76.1	2.4%
Hawke's Point Holdings LP <sup>(3)</sup>	2	202.7	198.4	6.3%
Banyan Square Capital Partners funds <sup>(3)</sup>	2	163.0	162.4	5.1%
Other real estate <sup>(4)</sup>	4	34.9	34.9	1.1%

(1) This includes all U.S. CLOs deemed to be controlled by the Fund. U.S. CLOs are domiciled in the Cayman Islands.

(2) Westbourne River Event Fund and Tetragon Global Equities Fund are domiciled in the Cayman Islands. Given the applicable notice, liquidity up to 25% of the investment is available on a quarterly basis (subject to certain conditions), and the entire investment could be liquidated over four consecutive quarters.

(3) Hawke's Point Holdings LP, Banyan Square Capital Partners LP, Tetragon Credit Partner funds are domiciled in the Cayman Islands. These are private-equity style investment funds. Please refer to Note 14 for details of unfunded commitments.

(4) The Fund has investments in commercial farmland in Paraguay, via individual managed accounts managed by Scimitar, a specialist manager in South American farmland. The Fund's investment can only be redeemed when the underlying real estate assets are sold.

◆ NOTES TO THE FINANCIAL STATEMENTS

**Note 5: Interest in other entities (continued)**

As of 31 December 2025:				
	No. of investments	Total AUM	Carrying value	Percentage of Tetragon's NAV
		\$M	\$M	
<b>Real estate</b>				
BGO – U.S. <sup>(2)</sup>	5	36,086	17.4	0.4%
BGO – Europe <sup>(2)</sup>	9	18,487	51.3	1.3%
BGO – Asia <sup>(2)</sup>	2	11,066	17.2	0.4%
<b>Other funds</b>		<b>Total NAV</b>		
		<b>\$M</b>		
Acasta funds <sup>(3)</sup>		1,494.6		
Contingency Capital funds <sup>(4)</sup>	2	373.1	61.5	1.6%
Private Equity funds <sup>(4)</sup>	47	81,153	214.9	5.5%

As of 31 December 2024:				
	No. of investments	Nominal	Carrying value	Percentage of Tetragon's NAV
		\$M	\$M	
<b>CLO equity</b>				
U.S. CLOs <sup>(1)</sup>	2	254.3	4.4	0.1%
<b>Real estate</b>		<b>Total AUM</b>		
		<b>\$M</b>		
BGO – U.S. <sup>(2)</sup>	6	36,742	28.2	0.9%
BGO – Europe <sup>(2)</sup>	11	15,965	45.5	1.4%
BGO – Asia <sup>(2)</sup>	2	8,252	21.4	0.7%
<b>Other funds</b>		<b>Total NAV</b>		
		<b>\$M</b>		
Acasta funds <sup>(3)</sup>	2	1,222.9	97.1	3.1%
Contingency Capital funds <sup>(4)</sup>	2	275.5	51.5	1.6%
Private Equity funds <sup>(4)</sup>	43	61,827.5	189.9	6.0%

(1) Includes all externally managed CLOs that are outside the Fund's control. U.S. CLOs are domiciled in the Cayman Islands.

(2) BGO funds hold real estate investments in the United States, Japan and various countries in Europe. Total assets under management (AUM) reflects 100% of BGO AUM in structured entities in each region. The number of investments indicates the Fund's investments in each region. The Fund's investment in these funds can only be redeemed in the form of capital distributions when the underlying real estate assets are sold.

(3) Acasta Funds (Acasta Global Fund and Acasta Energy Evolution Fund) are domiciled in the Cayman Islands. Given the applicable notice, liquidity up to 25% of the investment is available on a quarterly basis (subject to certain conditions), and the entire investment could be liquidated over four consecutive quarters.

(4) Private equity and Contingency Capital funds are domiciled in the Cayman Islands, Luxembourg and the United States.

◆ **NOTES TO THE FINANCIAL STATEMENTS**

**Note 5: Interest in other entities (continued)**

**Tetragon Partners**

The Fund owns 100% holdings and voting rights in Tetragon Partners LP. As at 31 December 2024 and 31 December 2025, Tetragon Partners LP's investments were comprised of the following:

Investment	Principal place of business	Ownership interest		Carrying value \$M		Percentage of NAV	
		2025	2024	2025	2024	2025	2024
Equitix	Global <sup>(1)</sup>	66%	81%	1,149.1	922.4	29.5%	29.1%
BGO	Global <sup>(1)</sup>	13%	13%	325.1	290.2	8.4%	9.1%
LCM	U.S. and UK	100%	100%	107.1	223.6	2.8%	7.0%
Other asset managers:				172.9	136.6	4.4%	4.3%
Westbourne River Partners	U.S. and UK	100%	100%				
Acasta Partners	U.S. and UK	NCI <sup>(2)</sup>	NCI <sup>(2)</sup>				
Tetragon Credit Partners	U.S. and UK	100%	100%				
Hawke's Point	U.S. and UK	100%	100%				
Banyan Square Partners	U.S. and UK	100%	100%				
Contingency Capital	U.S. and UK	NCI <sup>(2)</sup>	NCI <sup>(2)</sup>				
Tetragon Global Equities	U.S. and UK	100%	100%				
Tetragon Life Sciences	U.S. and UK	100%	100%				

(1) Equitix and BGO have a presence in North America, Europe, and Asia.

(2) Tetragon Partners owns a non-controlling interest (NCI). The chief investment officers of underlying businesses own a controlling stake.

**Tetragon Financial Group (Delaware) LLC**

The Fund holds a 100% ownership interest in Tetragon Financial Group (Delaware) LLC via Tetragon DebtCo Blocker (Cayman) LLC and Tetragon Financial Group (Delaware) Holdings LLC. The purpose of Tetragon Financial Group (Delaware) LLC is to hold the collateral and liabilities related to the revolving credit facility (see Note 10). In case of non-payment of principal or interest, the provider of the credit facility has a lien over the assets held by Tetragon Financial Group (Delaware) LLC. There is no recourse to the Fund.

The following table shows the breakdown of assets by asset class:

	31 Dec 2025 \$M	31 Dec 2024 \$M
Investment funds and vehicles	776.7	773.7
Tetragon Partners	433.3	387.8
Unlisted stock	283.7	134.9
CLO equity tranches	3.5	12.6
<b>Total</b>	<b>1,497.2</b>	<b>1,309.0</b>

◆ NOTES TO THE FINANCIAL STATEMENTS

**Note 5: Interest in other entities (continued)**

**LCM Euro LLC and LCM Euro II LLC**

The Fund holds 100% ownership interest in LCM Euro LLC and LCM Euro II LLC Investment Series, domiciled in Delaware. The subsidiaries have invested in debt and equity tranches of certain LCM CLOs. They have entered into sales and repurchase agreements with regards to some of the CLO debt tranches that it holds. The timing and amount of payment of repo interest and repurchase obligations are matched by the interest and principal payments from the relevant debt tranches. Additional interest of 0.5% per annum is payable on the outstanding balance. As of 31 December 2025, these subsidiaries had total assets of \$151.1 million (2024: \$161.1 million) and aggregate repurchase obligations of \$141.4 million (2024: \$140.8 million). The fair value of LCM Euro LLC and LCM Euro II LLC Investment Series of \$9.7 million (2024: \$20.3 million) is included in non-derivative financial assets at FVTPL. There is no recourse to the Fund in case of non-payment of principal or interest.

**Note 6: Financial risks review**

**Financial risk review:**

This note presents information about the Fund's objectives, policies and processes for measuring and managing risk.

The Fund has exposure to the following risks from financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risks.

**Risk management framework:**

The Fund's portfolio comprises a broad range of assets, including a diversified alternative asset management business, Tetragon Partners, and covers bank loans, real estate, equities, credit, convertible bonds, private equity and infrastructure. The Fund's investment strategy is to seek to identify asset classes that offer excess returns relative to their investment risk.

The investment manager analyses the risk/reward, correlation, duration and liquidity characteristics of each potential capital use to gauge its attractiveness and incremental impact on the Fund. As part of the Fund's investment strategy, the investment manager may employ hedging strategies and leverage in seeking to provide attractive returns while managing risk. The investment manager's Risk Committee is responsible for the risk management of the Fund and performs active and regular oversight and risk monitoring.

**a) Credit risk**

"Credit risk" is the risk that a counterparty/issuer to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund, resulting in a financial loss to the Fund. It arises principally from the CLO portfolio held, and also from derivative financial assets, cash and cash equivalents, other receivables and balances due from brokers. Credit risk is monitored on an ongoing basis by the investment manager in accordance with the policies and procedures in place.

The Fund's activities may give rise to settlement risk. "Settlement risk" is the risk of loss due to the failure of an entity to honour its obligations to deliver cash, securities or other assets as contractually agreed. For the majority of transactions, the Fund mitigates this risk by conducting settlements through a broker to ensure that a trade is settled only when both parties have fulfilled their contractual settlement obligations. The Fund conducts diligence on its brokers and financing counterparties before entering into trading or financing relationships. The Fund also actively monitors and manages settlement risk by diversifying across counterparties and by monitoring developments in the perceived creditworthiness of financing counterparties.

The carrying value and unfunded commitments of financial assets at fair value through profit or loss, derivatives, other receivables, amounts due from brokers and cash and cash equivalents, as disclosed in the Consolidated Statement of Financial Position and Note 14, represents the Fund's

maximum credit exposure, hence, no separate disclosure is provided. The ECL on financial assets at amortised costs are immaterial.

**i. Analysis of credit quality**

Cash and cash equivalents

The cash and cash equivalents are concentrated in three (2024: one) financial institution with credit rating between A and A+ (S&P) (2024: A). The investment manager monitors these credit ratings and spreads of credit default swaps on a daily basis and actively moves balances between counterparties when deemed appropriate.

**CLOs**

The Fund's portfolio is partly invested in CLO equity tranches which are subject to potential non-payment risk. The Fund will be in a first-loss position with respect to realised losses on the collateral in each CLO investment. The investment manager assesses the credit risk of the CLOs on a look-through basis to the underlying loans in each CLO investment. The investment manager seeks to provide diversification in terms of underlying assets, geography and CLO managers. The maximum loss that the Fund can incur on CLOs is limited to the fair value of these CLOs. The underlying loans are made up of a variety of credit ratings including investment grade and non-investment grade.

**Derivatives**

The table below shows an analysis of derivative financial assets and liabilities outstanding at 31 December 2025 and 31 December 2024.

	Derivative assets		Derivative liabilities	
	Fair value	Notional	Fair value	Notional
	\$M	\$M	\$M	\$M
31 December 2025	10.0	130.2	(7.0)	541.0
31 December 2024	18.7	562.2	(0.1)	1.4

**ii. Concentration of credit risk**

The table below shows a breakdown of credit risk per investment type:

None of the Fund's financial assets were considered to be past due or impaired on 31 December 2025 or 31 December 2024.

Investment type	31 Dec 25	31 Dec 24
CLOs	58%	58%
Cash and cash equivalents	38%	23%
Amount due from brokers	0%	5%
Other loans and derivatives	4%	14%
<b>Total</b>	<b>100%</b>	<b>100%</b>

## ◆ NOTES TO THE FINANCIAL STATEMENTS

### Note 6: Financial risks review (continued)

#### iii. Collateral and other credit enhancements, and their financial effects

The Fund mitigates the credit risk of derivatives through collateral management including master netting agreements. Derivative transactions are either transacted on an exchange or entered into under International Derivative Swaps and Dealers Association (ISDA) master netting agreements. Under ISDA master netting agreements in certain circumstances, for example, when a credit event such as a default occurs, all outstanding transactions under the agreement are terminated, the termination value is assessed and only a single net amount is due or payable in settlement of all transactions.

#### iv. Offsetting financial assets and liabilities

The Fund has not offset any financial assets and financial liabilities in the Consolidated Statement of Financial Position.

#### b) Liquidity risk

"Liquidity risk" is the risk that the Fund will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or other financial assets.

The Fund's policy and the investment manager's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. The Fund's financial assets include some investments which are considered illiquid. These investments include Tetragon Partners, CLO equity tranches, real estate funds and vehicles and unlisted equities. The Fund also holds investments in hedge funds and private equity funds, which are subject to redemption restrictions such as notice periods and, in certain circumstances, redemption gates. As a result, the Fund may not be able to liquidate these investments readily.

The following were the contractual maturities of non-derivative financial liabilities at the reporting date. The amounts are gross and undiscounted. The finance costs on borrowings are calculated assuming the drawn balance on the credit facility and the interest rate remains unchanged and principal repaid on the maturity date of the facility.

	Within 1 month	1 to 3 months	3 months to 1 year	1 to 5 years	Greater than 5 years	Total
<b>31 December 2025</b>	<b>\$M</b>	<b>\$M</b>	<b>\$M</b>	<b>\$M</b>	<b>\$M</b>	<b>\$M</b>
Finance costs on borrowings	2.2	4.3	19.4	103.2	102.2	231.3
Loans and borrowings	-	-	-	-	350.0	350.0
Other payables	4.5	-	-	-	-	4.5
<b>Total</b>	<b>6.7</b>	<b>4.3</b>	<b>19.4</b>	<b>103.2</b>	<b>452.2</b>	<b>585.8</b>
<b>31 December 2024</b>						
Finance costs on borrowings	2.0	4.0	17.8	95.1	60.4	179.3
Loans and borrowings	-	-	-	-	300.0	300.0
Other payables	2.5	35.6	-	-	-	38.1
<b>Total</b>	<b>4.5</b>	<b>39.6</b>	<b>17.8</b>	<b>95.1</b>	<b>360.4</b>	<b>517.4</b>

The Fund's liquidity risk is managed on a daily basis by the investment manager in accordance with the policies and procedures in place. The Fund has access to a revolving credit facility (Note 10) and can also access prime broker financing (Note 8). The Fund has unfunded commitments (Note 14) to private-equity styled funds which can be called immediately. The Fund is not exposed to the liquidity risk of meeting shareholder redemptions as the Fund's capital is in the form of non-redeemable shares.

The tables below analyse the Fund's financial derivative instruments that will be settled on a gross basis into relevant maturity groupings based on the remaining period at the financial year-end date to the contractual maturity date.

	Inflows				Outflows			
	Within 1 month	1 – 3 months	3 months – 1 year	1 – 5 years	Within 1 month	1 – 3 months	3 months – 1 year	1 – 5 years
	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M
31 Dec 2025	8.5	348.9	302.1	-	(8.7)	(352.2)	(303.9)	-
31 Dec 2024	202.3	313.6	52.1	-	(194.7)	(305.9)	(50.8)	-

## ◆ NOTES TO THE FINANCIAL STATEMENTS

### Note 6: Financial risks review (continued)

#### c) Market risk

"Market risk" is the risk that changes in market prices, such as interest rates, foreign exchange rates, equity prices and credit spreads, will affect the Fund's income or the fair value of its holdings of financial instruments.

The Fund's strategy for the management of market risk is driven by the Fund's investment objective of generating distributable income and capital appreciation. The Fund employs hedging strategies, from time to time as deemed necessary, to manage its exposure to foreign currency, interest rate and other price risks. The Fund does not apply hedge accounting.

#### i. Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments.

The fair value of certain of the Fund's investments may be significantly affected by changes in interest rates. The Fund's investments in leveraged loans through CLOs and Tetragon Credit Partners funds generate SOFR plus returns and are sensitive to interest rate levels and volatility. In the event of a significant rising interest rate environment and/or economic downturn, loan defaults may increase and result in credit losses that may be expected to affect the Fund's cash flow, fair value of its assets and operating results adversely. Changes in interest rates may also affect the value of the Fund's investment in Acasta Global Fund. Generally, the value of convertible bonds and other fixed rate instruments will change inversely with changes in interest rates, offsetting the effect on CLOs.

The table below shows the sensitivity analysis for interest rates movement on the investment portfolio held by the Fund.

31 December 2025	Fair value	Effects of +100bps change in interest rate on net assets	Effects of -100bps change in interest rate on net assets
	\$M	\$M	\$M
U.S. CLOs	41.4	2.1	(2.0)
Tetragon Credit Partners funds	42.4	2.2	(2.1)
Acasta Global Fund	49.9	(1.0)	1.0
<b>Total</b>	<b>133.7</b>	<b>3.3</b>	<b>(3.1)</b>
<b>31 December 2024</b>			
U.S. CLOs	90.5	3.9	(3.8)
Tetragon Credit Partners funds	76.1	3.9	(3.8)
Acasta Global Fund	93.0	(2.5)	2.6
<b>Total</b>	<b>259.6</b>	<b>5.3</b>	<b>(5.0)</b>

◆ NOTES TO THE FINANCIAL STATEMENTS

**Note 6: Financial risks review (continued)**

**ii. Currency risk**

The Fund invests in financial instruments and enters into transactions that are denominated in currencies other than its functional currency. Consequently, the Fund is exposed to risk that the exchange rate of its currency relative to other foreign currencies may change in a manner that has an adverse effect on the fair value or future cash flows of the Fund's financial assets or financial liabilities denominated in currencies other than USD. The Fund typically hedges against its currency risk, mainly by employing forward foreign exchange contracts. The currency exposure is monitored and managed on a daily basis.

At the reporting date, the carrying amount of the Fund's net financial assets and financial liabilities held in individual foreign currencies, expressed in USD were as follows. The sensitivity analysis sets out the effect on the net assets and profit for the year of reasonably possible weakening of USD against other currencies by 5%. The analysis assumes that all other variables, in particular interest rates, remain constant.

	Net monetary and non-monetary assets and liabilities	Foreign exchange hedging	Net exposure	Effect of 5% on exchange rate
31 December 2025	\$M	\$M	\$M	\$M
Pound Sterling	1,219.0	(641.7)	577.3	28.9
Euro	53.7	(52.6)	1.1	0.1
Norwegian Krone	25.5	(25.6)	(0.1)	-
Canadian Dollar	8.3	-	8.3	0.4
Swedish Krona	6.0	-	6.0	0.3
<b>Total</b>	<b>1,312.5</b>	<b>(719.9)</b>	<b>592.6</b>	<b>29.7</b>
31 December 2024				
Pound Sterling	985.0	(492.7)	492.3	24.6
Euro	52.1	(52.2)	(0.1)	-
Norwegian Krone	37.7	(38.3)	(0.6)	-
Canadian Dollar	4.9	-	4.9	0.2
<b>Total</b>	<b>1,079.7</b>	<b>(583.2)</b>	<b>496.5</b>	<b>24.8</b>

A strengthening of the USD against the above currencies would have resulted in an equal but opposite effect to the amounts shown above.

**iii. Other price risk**

"Other price risk" is the risk that the fair value of the financial instrument will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk), whether caused by factors specific to an individual investment or its issuer or by factors affecting all instruments traded in the market. The investment manager manages the Fund's price risk and monitors its overall

market positions on a regular basis in accordance with the Fund's investment objectives and policies.

The following table sets out the concentration of the investment assets and liabilities, including derivatives held by the Fund as at the reporting date.

Asset class	% of net assets as at 31 Dec 2025	% of net assets as at 31 Dec 2024
Tetragon Partners	45.1%	49.6%
Investment funds and vehicles	39.3%	43.3%
Unlisted stock	13.7%	8.0%
Listed stock	9.0%	6.7%
CLO equity & debt tranches	1.1%	2.9%
Contracts for difference	0.0%	0.0%
Forward foreign exchange contracts and options	0.1%	0.5%



## ◆ NOTES TO THE FINANCIAL STATEMENTS

### Note 6: Financial risks review (continued)

The investment manager reviews the concentrations against the limits which are set and reviewed periodically. The table below shows the impact of a positive 1% movement in the price of these investments on the NAV and profits of the Fund. A negative 1% movement will have an equal and opposite effect.

Asset class	31 Dec 2025 \$M	31 Dec 2024 \$M
Tetragon Partners	17.5	15.8
Investment funds and vehicles	15.3	13.7
Unlisted stock	5.3	2.5
Listed stock	3.5	2.2
CLO equity & debt tranches	0.4	0.9
Contracts for difference	-	-
Forward foreign exchange contracts and options	-	-

### Note 7: Other receivables and prepayments

	31 Dec 2025 \$M	31 Dec 2024 \$M
Other receivables	6.3	2.2
Prepayments	5.3	3.0
<b>Total</b>	<b>11.6</b>	<b>5.2</b>

Other receivables are expected to be settled within 12 months.

### Note 8: Amounts due to brokers

	31 Dec 2025 \$M	31 Dec 2024 \$M
Amounts due to brokers	3.2	53.7
Value of collateral posted with brokers	356.3	226.4

The collateral is in the form of listed equities and derivatives. The Fund can draw cash on the back of these securities from the broker.

### Note 9: Other payables and accrued expenses

	31 Dec 2025 \$M	31 Dec 2024 \$M
Incentive fee payable	-	35.6
Other payables and accrued expenses	4.5	2.5
<b>Total</b>	<b>4.5</b>	<b>38.1</b>

All other payables and accrued expenses are due within one year.

## ◆ NOTES TO THE FINANCIAL STATEMENTS

### Note 10: Credit facility

The Fund has access to a US\$500.0 million revolving credit facility with maturity date in December 2034. 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 incurs interest at a rate of 3M Term SOFR plus a spread of 3.25%.

	31 Dec 2025 \$M	31 Dec 2024 \$M
Drawn balance at start of the year	300.0	250.0
Interest and fees expensed	27.3	25.4
Interest and fees paid	(27.3)	(25.4)
Drawdowns	50.0	150.0
Repayments	-	(100.0)
<b>Drawn balance at the end of the year</b>	<b>350.0</b>	<b>300.0</b>

### Note 11: Incentive fee

The Fund pays the investment manager an incentive fee for each calculation period (a period of three months ending on 31 March, 30 June, 30 September and 31 December in each year or as otherwise determined by the Directors) (the Calculation Period) equal to 25% of the increase in the NAV of the Fund during the Calculation Period (before deduction of any dividend paid or the amount of any redemptions or repurchases of the shares (or other relevant capital adjustments)) during such Calculation Period) above the Reference NAV (as defined below) plus the Hurdle (as defined below) for the Calculation Period. If the Hurdle is not met in any Calculation Period (and no incentive fee is paid), the shortfall will not carry forward to any subsequent Calculation Period.

The Hurdle for any Calculation Period will equal the Reference NAV (as defined below) multiplied by the Hurdle Rate (as defined below). The Hurdle Rate for any Calculation Period equals Term SOFR as of 5:00 p.m. New York time on the first day of the applicable Calculation Period on which Term SOFR is published, plus the Hurdle Spread of 2.747858% per annum, multiplied by the actual number of days in the Calculation Period, divided by 365.

The "Reference NAV" is the greater of (i) the NAV at the end of the Calculation Period immediately preceding the current Calculation Period and (ii) the NAV as of the end of the Calculation Period immediately preceding the Calculation Period referred to in clause (i). For the purpose of determining the Reference NAV at the end of a Calculation Period, the NAV shall be adjusted by the amount of accrued dividends and the amounts of any redemptions or repurchase of the shares (or other relevant capital adjustments) and incentive fees to be paid with respect to that Calculation Period.

The incentive fee in respect of each Calculation Period is calculated by reference to the NAV before deduction of any accrued incentive fee. If the Investment Management Agreement is terminated other than at the end of a Calculation Period, the date of termination will be deemed to be the end of the Calculation Period. The incentive fee is normally payable in arrears after the end of the Calculation Period.

The incentive fee for the year ended 31 December 2025 was \$196.7 million (2024: \$87.3 million). None (2024: \$35.6 million) was outstanding as of 31 December 2025.

### Note 12: Share capital

#### Authorised

The Fund has an authorised share capital of \$1.0 million divided into ten voting shares, having a par value of \$0.001 each and 999,999,990 non-voting shares (which are the shares referred to herein), having a par value of \$0.001 each.

#### Voting shares

All of the Fund's voting shares are issued at par and are beneficially owned by the Voting Shareholder, a non-U.S. affiliate of the investment manager. The voting shares will be the only shares entitled to vote for the election of Directors and on all other matters put to a vote of shareholders, subject to the limited rights of the shares described below. The voting shares are not entitled to receive dividends.

## ◆ NOTES TO THE FINANCIAL STATEMENTS

### Note 12: Share capital (continued)

#### Non-voting shares

The shares carry a right to any dividends or other distributions declared by the Fund. The shares are not entitled to vote on any matter other than limited voting rights in respect of variation of their own class rights.

#### Dividend rights

Dividends may be paid to the holders of shares at the sole and absolute discretion of the Directors. The voting shares carry no rights to dividends.

	Voting shares	Non-voting shares*	Treasury shares	Shares held in escrow
	No.	No. M	No. M	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	-
<b>Shares in issue at 31 December 2024</b>	<b>10.0</b>	<b>82.0</b>	<b>42.4</b>	<b>15.3</b>
Stock dividends	-	0.8	(1.2)	0.4
Issued through release of tranche of escrow shares	-	1.1	-	(1.1)
Shares purchased during the year	-	(0.2)	0.2	-
<b>Shares in issue at 31 December 2025</b>	<b>10.0</b>	<b>83.7</b>	<b>41.4</b>	<b>14.6</b>

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

#### Optional stock dividend

The Fund has an Optional Stock Dividend Plan which offers investors an opportunity to elect to receive any declared dividend in the form of dividend shares at a reference price determined by calculating the five-day weighted average price post ex-dividend date.

During the year, a total dividend of \$36.4 million (2024: \$35.7 million) was declared, of which \$23.7 million was paid out as a cash dividend (2024: \$21.7 million), and the remaining \$12.7 million (2024: \$14.0 million) was reinvested under the Optional Stock Dividend Plan.

#### 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.

During 2024, under the terms of "modified Dutch auction", the Fund accepted for purchase approximately 2.4 million non-voting shares at an aggregate cost of \$25.1 million, including applicable fees and expenses of \$0.1 million.

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

Date	Purchased from	No. of shares	Cost (\$M)	Then-current share price
January 2024	Tetragon Partners LP	464,581	4.6	\$9.88
July 2024	Tetragon Partners LP	1,245,422	12.9	\$10.30
January 2025	Tetragon Partners LP	32,302	0.4	\$13.30
May 2025	Tetragon Partners LP	118,925	1.2	\$10.30

#### Escrow shares

##### Equity-based awards

Periodically, Tetragon Partners 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.

Under IFRS 2, Tetragon Partners is considered to be the settling entity. As the Fund has contributed these shares, the Fund recorded the imputed value of the shares contributed to escrow as credit to share-based compensation reserve in the year in which the shares were acquired for this purpose, with a corresponding debit to the cost of investment in Tetragon Partners.

As part of the acquisition of Tetragon Partners by Tetragon in 2012, Reade Griffith and Paddy Dear were granted Tetragon non-voting shares which vested between 2015 and 2017.

For Mr. Griffith, this arrangement was replaced by an employment agreement entered into in July 2019, which covered his services to Tetragon Partners for the period through 30 June 2024. Under the terms of this agreement Mr. Griffith received the following:

- \$9.5 million in cash in July 2019;
- \$3.75 million in cash in July 2020;
- 0.3 million Tetragon non-voting shares in July 2021;
- 2.1 million Tetragon non-voting shares in July 2024; and
- between zero and an additional 3.15 million Tetragon non-voting shares – with the number of shares based on agreed-upon investment performance criteria – vesting in years 5, 6 and 7. During 2025, 831,447 shares (2024: nil) were transferred to Mr. Griffith in relation to this award.

◆ NOTES TO THE FINANCIAL STATEMENTS

**Note 12: Share capital (continued)**

In July 2024, Tetragon Partners entered into an employment agreement with each of Mr. Griffith and Mr. Dear that covers their respective services to Tetragon Partners for the period through 30 June 2029. In Mr. Griffith's case, Tetragon Partners entered into this agreement to replace the arrangement described immediately above. In Mr. Dear's case, Tetragon Partners entered into this agreement due to a desire to increase Mr. Dear's level of involvement with Tetragon Partners. Mr. Griffith is a Founder and Principal of Tetragon Partners and is its Chief Investment Officer as well as the Chief Investment Officer of Westbourne River Partners (in addition to other roles). Mr. Dear is a Founder and Principal of Tetragon Partners (in addition to other roles).

Under the terms of this agreement, Mr. Griffith will receive the following:

- \$10.0 million in cash per annum for 5 years to 30 June 2029;
- 625,000 Phantom Share Units (PSUs) vesting annually and rateably over the term of the agreement, with the value of each PSU indexed to the average Tetragon share price on Euronext Amsterdam during the five business days preceding the vesting date, plus dividend equivalents, which such vested PSUs will be settled in cash; and
- between zero and an additional 2.5 million Tetragon non-voting shares – with the number of shares based on agreed-upon investment performance criteria – vesting in years 5, 6 and 7.

Under the terms of this agreement, Mr. Dear will receive the following:

- US\$2.0 million in cash per annum for 5 years to 30 June 2029;
- 150,000 PSUs vesting annually and rateably over the term of the agreement, with the value of each PSU indexed to the average Tetragon share price on Euronext Amsterdam during the five business days preceding the vesting date, plus dividend equivalents, which such vested PSUs will be settled in cash; and
- between zero and an additional 0.5 million Tetragon non-voting shares – with the number of shares based on agreed-upon investment performance criteria – vesting in years 5, 6 and 7.

All Tetragon non-voting shares, as well as certain cash payments, covered by the employment agreements are subject to forfeiture conditions. Tetragon has contributed the shares in relation to the above awards to the escrow account. The shares will be held in escrow for release upon vesting and are eligible to participate in the optional stock dividend programme, and as a result of subsequent dividends, further shares will be added to the escrow.

As the Fund has the obligation to settle the shares, this award is treated as equity-settled. The fair value of the share award is determined using the share price at grant date. The total expense is determined by multiplying the share price at grant date and the estimated number of shares that will vest. The expense is recognised in Consolidated Statement of Comprehensive Income on a straight-line basis over the vesting period. A corresponding entry is made to the share-based compensation reserve.

Tetragon has awarded the following shares to the Independent Directors:

**Directors' shares**

Date of award	Vesting date	Shares awarded	Share price at grant date	Total value of the award per Independent Director
Jan 2020	31 Dec 2023	24,490	\$12.25	\$300,000
Nov 2022	31 Dec 2023	2,575	\$9.71	\$25,000
Nov 2022	31 Dec 2024	2,575	\$9.71	\$25,000
Nov 2022	31 Dec 2025	2,574	\$9.71	\$25,000
Jan 2024	31 Dec 2024	5,061	\$9.88	\$50,000
Jan 2024	31 Dec 2025	5,061	\$9.88	\$50,000

The expense is recognised on a straight-line basis in Consolidated Statement of Comprehensive Income over the vesting period of the awards. A corresponding entry is made to the share-based compensation reserve.

## ◆ NOTES TO THE FINANCIAL STATEMENTS

### Note 12: Share capital (continued)

As of 31 December 2025, 14.6 million (2024: 15.3 million) shares related to Tetragon Partners' employee reward schemes are held in escrow. During the year, 1.1 million shares (2024: 3.6 million) were released from escrow including stock dividends awarded on the original shares. \$9.6 million (2024: \$32.8 million) was transferred from share-based compensation reserve to other equity in relation to the original shares. An amount of \$2.6 million (2024: \$8.9 million) was released against retained earnings, based on the stock reference price at each applicable dividend date. Escrow shares are eligible for stock dividends and during the year, 0.4 million (2024: 0.4 million) shares were allocated to this account as dividends.

#### Share-based compensation reserve

The balance, \$103.2 million (2024: \$97.9 million) in share-based compensation reserve, is related to Equity-based awards as described above.

#### Capital management

The Fund's capital is represented by the ordinary share capital, other equity, and accumulated retained earnings, as disclosed in the Consolidated Statement of Financial Position. The Fund's capital is managed in accordance with its investment objective. The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of its shares.

Shares estimated to vest (M)	Vesting date	Share price at grant date	2019 to 2023	2024	2025	2026	2027	2028	2029
			\$M	\$M	\$M	\$M	\$M	\$M	\$M
0.3	30 Jun 2021	\$12.50	3.7	-	-	-	-	-	-
2.1	30 Jun 2024	\$12.50	23.6	2.6	-	-	-	-	-
2.3*	Up to 30 Jun 2026	\$12.50	17.7	0.4	10.1	-	-	-	-
2.1**	Up to 30 Jun 2031	\$10.30	-	2.2	4.3	4.3	4.3	4.3	2.2
0.1	Up to 31 Dec 2025	\$9.71—\$12.25	1.0	0.3	0.1	-	-	-	-
			<b>46.0</b>	<b>5.5</b>	<b>14.5</b>	<b>4.3</b>	<b>4.3</b>	<b>4.3</b>	<b>2.2</b>

\*As of 31 December 2025, 2.3 million (2024: 1.575 million) of the maximum 3.15 million shares are expected to vest according to the agreed-upon investment performance criteria. The future expense may be different from the expense presented in the table above based on the actual results.

\*\*As of 31 December 2025, it is estimated that 2.1 million (2024: 2.1 million) of the maximum 3.0 million shares will vest according to the agreed-upon investment performance criteria at the end of year 5 with no shares vesting in years 6 and 7. This estimate will be revised at each reporting date and as a result, future expense may be different from the expense presented in the table above.

### Note 13: Dividends

	31 Dec 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	-
Quarter ended 30 June 2025 of \$0.1100 per share	9.1	-
Quarter ended 30 September 2025 of \$0.1100 per share	9.2	-
<b>Total</b>	<b>36.4</b>	<b>35.7</b>

The fourth quarter dividend of \$0.1200 per share was approved by the Directors on 5 March 2026 and has not been included as a liability in these Financial Statements.

### Note 14: Contingencies and commitments

The Fund has the following unfunded commitments:

	31 Dec 2025 \$M	31 Dec 2024 \$M
Private equity funds	35.0	30.3
Contingency Capital funds	19.3	28.5
BGO investment vehicles	20.7	20.7
Tetragon Credit Partners funds	15.0	1.3
Hawke's Point funds	9.9	-
<b>Total</b>	<b>99.9</b>	<b>80.8</b>

## ◆ NOTES TO THE FINANCIAL STATEMENTS

### Note 15: Related-party transactions

#### Investment manager

The investment manager is entitled to receive management fee equal to 1.5% per annum of the NAV of the Fund payable monthly in advance prior to the deduction of any accrued incentive fee. An incentive fee may be paid to the investment manager as disclosed in Note 11.

#### Voting Shareholder

The Voting Shareholder is an affiliate of the investment manager and holds all of the voting shares. As a result of its ownership and the degree of control that it exercises, the Voting Shareholder will be able to control the appointment and removal of the Fund's Directors (subject to applicable law). Affiliates of the Voting Shareholder also control the investment manager and, accordingly, control the Fund's business and affairs.

The shares held by the Directors of the Fund are as follows:

	31 Dec 2025	31 Dec 2024
	\$M	\$M
Reade Griffith	19,804,752	18,519,530
Paddy Dear	6,119,244	5,952,492
David O'Leary	81,996	72,500
Steven Hart	50,958	41,462
Deron Haley	50,958	41,462

#### Directors

The remuneration for Directors shall be determined by resolution of the Voting Shareholder. Each of the Directors' annual fee for the year ended 31 December 2025 was \$150,000 (2024: \$150,000) as compensation for service as Directors of the Fund.

The Directors have the option to elect to receive shares in the Fund instead of the quarterly fee. The Directors did not opt to receive shares in lieu of their annual fee during 2025. In addition to the annual fee, the Fund has awarded its shares to the Independent Directors as described in Note 12.

The total compensation expense (annual fee and share-based compensation) for Independent Directors for the year ended 31 December 2025 was \$0.6 million (2024: \$0.7 million).

Reade Griffith and Paddy Dear have waived their entitlement to a fee in respect of their services as Directors. The Directors are entitled to be repaid by the Fund all travel, hotel and other expenses reasonably incurred by them in the discharge of their duties. None of the Directors have a contract with the Fund providing for benefits upon termination of employment.

Mr. Griffith and Mr. Dear have employment agreements with Tetragon Partners as described in Note 12.

#### Subsidiaries

The Fund has entered into share-based employee reward schemes with its subsidiary, Tetragon Partners LP. See Note 12 for details.

Tetragon Partners UK LLP and Tetragon Partners US LP (together the Service Providers) provide operational, financial control, trading, marketing and investor relations, legal, compliance, administrative, payroll and employee benefits and other services to the investment manager in exchange for fees payable by the investment manager to the Service Providers. One of these entities, Tetragon Partners UK LLP, which is authorised and regulated by the United Kingdom Financial Conduct Authority, also provides services to the investment manager relating to the dealing in and management of investments, arranging of deals and advising on investments.

Tetragon Partners, through the Service Providers, has implemented a cost-allocation methodology with the objective of allocating service-related costs, including to the investment manager. Tetragon Partners then charges fees for the services allocated on a cost-recovery basis that is designed to achieve full recovery of the allocated costs. In the year, the amount recharged to the investment manager was \$25.9 million (2024: \$19.6 million). As at 31 December 2025, the outstanding balance due from the investment manager was \$3.0 million (2024: \$0.1 million). During the year ended 31 December 2025, the Fund purchased its own shares from Tetragon Partners LP. See Note 12 for details.

Reade Griffith and Paddy Dear continue to hold membership interests in Tetragon Partners UK LLP (the U.K. investment manager) which collectively entitle them to exercise all of the voting rights in respect of the U.K. investment manager.

As part of the acquisition of Tetragon Partners in 2012, 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 the Fund and (ii) upon the request of the Fund, for nominal consideration, sell, transfer, and deliver their membership interests in Tetragon Partners UK LLP to the Fund.

Reade Griffith and Paddy Dear also hold membership interests in Pace Cayman Holdco Limited or Pace Holdco, an entity through which the Fund ultimately owns its equity stake in Equitix. These membership interests collectively entitle them to exercise all of the voting rights in respect of Pace Holdco. 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 the Fund and (ii) upon the request of the Fund, for nominal consideration, sell, transfer, and deliver their membership interests in the Pace Holdco to the Fund.

#### Investments in internally managed funds

The Fund holds various investments in funds managed within Tetragon Partners business. Please see Note 5 for details of these investments and Note 14 for the unfunded commitments related to these funds.

## ◆ NOTES TO THE FINANCIAL STATEMENTS

### Note 16: Earnings per share

	Year ended 31 Dec 2025	Year ended 31 Dec 2024
The calculation of the basic and diluted earnings per share is based on the following data:	\$M	\$M
Earnings for the purposes of basic earnings per share being net profit attributable to shareholders for the year	729.6	352.2
	Millions of shares	Millions of shares
Weighted average number of shares for the purposes of basic earnings per share	87.3	85.3
Effect of dilutive potential shares:		
<b>Share-based employee compensation – equity-based awards</b>	<b>8.8</b>	<b>4.1</b>
Weighted average number of shares for the purposes of diluted earnings per share	96.1	89.4
<b>Earnings per share</b>	<b>\$</b>	<b>\$</b>
Basic	8.36	4.13
Diluted	7.59	3.94

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 of the time-based shares currently held in escrow will be released, thereby increasing the weighted average number of shares. The number of dilutive performance-based shares is based on the number of shares that would be issuable if the end of the period were the end of the performance period.

### Note 17: 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.

Region	31 Dec 2025	31 Dec 2024
Europe	46%	49%
North America	43%	42%
Asia-Pacific	10%	8%
Latin America	1%	1%

### Note 18: Subsequent events

In February 2026, Tetragon Partners agreed with Sun Life Financial to relinquish certain ongoing rights it held in BGO in return for a payment of \$155.0 million. These proceeds are separate and additional to the proceeds receivable in connection with the call exercise. Tetragon retains its ownership of carried interest in all existing GreenOak and BGO real estate funds and well as its LP interests in a number of these funds

All of the Fund’s activities are interrelated, and each activity is dependent on the others. Accordingly, all significant operating decisions are based upon analysis of the Fund as one segment. The financial results from this segment are equivalent to the Financial Statements of the Fund as a whole. The shares in issue are in US Dollars.

The Directors have evaluated the period up to 5 March 2026, which is the date that the Financial Statements were approved. The Directors have concluded that there are no other material events that require disclosure or adjustment to the Financial Statement.

### Note 19: Approval of Financial Statements

The Directors approved and authorised for issue the Financial Statements on 5 March 2026.

