



FINANCIAL STATEMENTS

# THIRD POINT OFFSHORE FUND, LTD.

Unaudited Condensed Interim Financial Statements  
As of and for the Period Ended June 30, 2021

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# Statements of Assets and Liabilities

	<u>Unaudited</u>	<u>Audited</u>
	June 30, 2021	December 31, 2020
	\$	\$
<b>(Stated in United States Dollars)</b>		
<b>Assets</b>		
Cash	80,795,131	105,496,694
Investment in Third Point Offshore Master Fund L.P., at fair value	7,726,251,118	6,901,488,947
Redemptions receivable from Third Point Offshore Master Fund L.P.	187,249,226	190,733,177
<b>Total assets</b>	<b>7,994,295,475</b>	<b>7,197,718,818</b>
<b>Liabilities</b>		
Shareholder redemptions payable	187,249,226	190,733,177
Shareholder subscriptions received in advance	80,777,618	105,479,181
Accrued expenses	12,215	94,653
<b>Total liabilities</b>	<b>268,039,059</b>	<b>296,307,011</b>
<b>Net assets</b>	<b>7,726,256,416</b>	<b>6,901,411,807</b>
<b>Net asset value per share (See Note 4)</b>		

*See accompanying notes and attached financial statements of Third Point Offshore Master Fund L.P.*

# Unaudited Statements of Operations

(Stated in United States Dollars)	Half year June 30, 2021 \$	Half year June 30, 2020 \$
<b>Realized and unrealized gain/(loss) on investment transactions allocated from Third Point Offshore Master Fund L.P.</b>		
Net realized gain/(loss) from securities and foreign currency translations	899,826,595	274,060,953
Net realized gain/(loss) from affiliated investment funds and foreign currency translations	1,506,966	(1,441,028)
Net realized gain/(loss) from derivative contracts and foreign currency translations	(87,453,482)	(24,953,244)
Net change in unrealized gain/(loss) on securities and foreign currency translations	564,877,293	(588,498,751)
Net change in unrealized gain/(loss) on affiliated investment funds and foreign currency translations	3,056,078	(17,342,707)
Net change in unrealized gain/(loss) on derivative contracts and foreign currency translations	(34,506,630)	(105,037,346)
Net gain/(loss) from currencies	(1,031,123)	(6,403,444)
<b>Net realized and unrealized (loss)/gain from investment transactions allocated from Third Point Offshore Master Fund L.P.</b>	<b>1,346,275,697</b>	<b>(469,615,567)</b>
<b>Investment income allocated from Third Point Offshore Master Fund L.P.</b>		
Interest	68,220,775	52,368,126
Dividends, net of withholding taxes of \$2,337,663 (2020: \$6,939,472)	7,351,976	16,370,370
Stock loan fees	83,961	2,904,625
Other	–	1,377,170
<b>Total investment income allocated from Third Point Offshore Master Fund L.P.</b>	<b>75,656,712</b>	<b>73,020,291</b>
<b>Investment expenses allocated from Third Point Offshore Master Fund L.P.</b>		
Management Fee	58,765,739	46,093,655
Dividends on securities sold, not yet purchased	12,298,278	10,168,172
Stock borrow fees	8,552,985	1,401,006
Interest	7,900,725	9,019,101
Administrative and professional fees	5,630,472	3,854,208
Research fees	4,831,128	2,997,744
Other	3,157,461	144,124
<b>Total investment expenses allocated from Third Point Offshore Master Fund L.P.</b>	<b>101,136,788</b>	<b>73,678,010</b>
<b>Net investment (loss)/income allocated from Third Point Offshore Master Fund L.P.</b>	<b>(25,480,076)</b>	<b>(657,719)</b>

# Unaudited Statements of Operations continued

<i>(Stated in United States Dollars)</i>	Half year June 30, 2021 \$	Half year June 30, 2020 \$
<b>Fund expenses</b>		
Administrative and professional fees	141,452	154,753
Other	62,974	54,147
<b>Total Fund expenses</b>	<b>204,426</b>	<b>208,900</b>
<b>Net investment income/(loss)</b>	<b>(25,684,502)</b>	<b>(866,619)</b>
<b>Incentive allocated to General Partner of Third Point Offshore Master Fund L.P.</b>	<b>(261,183,330)</b>	<b>(72,284)</b>
<b>Net (decrease)/increase in net assets resulting from operations</b>	<b>1,059,407,865</b>	<b>(470,554,470)</b>

*See accompanying notes and attached financial statements of Third Point Offshore Master Fund L.P.*

## Statements of Changes in Net Assets

	Unaudited Half-year June 30, 2021 \$	Audited Year ended December 31, 2020 \$
<i>(Stated in United States Dollars)</i>		
<b>Increase (decrease) in net assets resulting from operations</b>		
Allocated from investment in Third Point Offshore Master Fund L.P.		
Net realized gain/(loss) from securities and foreign currency translations	899,826,595	401,849,626
Net realized gain/(loss) from affiliated investment funds and foreign currency translations	1,506,966	(475,584)
Net realized gain/(loss) from derivative contracts and foreign currency translations	(87,453,482)	(194,413,553)
Net change in unrealized gain/(loss) on securities and foreign currency translations	564,877,293	1,151,573,257
Net change in unrealized gain/(loss) on affiliated investment funds and foreign currency translations	3,056,078	(8,622,215)
Net change in unrealized gain/(loss) on derivative contracts and foreign currency translations	(34,506,630)	15,621,647
Net gain/(loss) from currencies	(1,031,123)	(9,664,918)
Net investment gain/(loss)	(25,480,076)	30,471,066
Incentive allocated from Third Point Offshore Master Fund L.P.	(261,183,330)	(225,203,750)
Total Fund expenses	(204,426)	(388,862)
<b>Net increase in net assets resulting from operations</b>	<b>1,059,407,865</b>	<b>1,160,746,714</b>
<b>Increase (decrease) in net assets resulting from capital share transactions</b>		
Class E Shares issued	92,873,330	78,626,575
Class ESP Shares issued	1,750,000	-
Class F Shares issued	30,294,600	343,829,191
Class F-T Shares issued	106,013,000	-
Class G Shares issued	12,835	11,295
Class H-N Shares issued	-	3,000
Class N Shares issued	38,600,000	291,505,665
Class O Shares issued	4,620,000	7,102,000
Class P Shares issued	3,300,000	2,000
Class Q Shares issued	1,500,000	2,000
Class A Shares redeemed	-	(419,748)
Class C Shares redeemed	-	(2,000,000)
Class G Shares redeemed	-	(53,876)
Class D Shares redeemed	(1,269,862)	(2,347,945)
Class E Shares redeemed	(230,477,448)	(573,096,079)
Class E-T Shares redeemed	(15,000,000)	-
Class F Shares redeemed	(152,321,204)	(375,859,361)
Class FSP Shares redeemed	(700,000)	-
Class F-T Shares redeemed	(20,000,000)	-
Class N Shares redeemed	(59,183,108)	(116,525,793)

## Statements of Changes in Net Assets continued

<b>(Stated in United States Dollars)</b>	<b>Unaudited</b> <b>Half-year</b> <b>June 30,</b> <b>2021</b> <b>\$</b>	<b>Audited</b> <b>Year ended</b> <b>December 31,</b> <b>2020</b> <b>\$</b>
Class N-T Shares redeemed	(24,459,094)	–
Class O Shares redeemed	(10,116,305)	(26,959,371)
Class P Shares redeemed	–	(11,437,818)
Class C Shares Transferred in	–	250,554
Class E Shares Transferred in	104,699,191	300,886,484
Class ESP Shares Transferred in	9,628,289	–
Class E-T Shares Transferred in	509,782	–
Class F Shares Transferred in	150,946,827	438,172
Class FSP Shares Transferred in	13,596,326	–
Class F-T Shares Transferred in	606	–
Class G-UR Shares Transferred in	393,795	–
Class H-NSP Shares Transferred in	21,131,399	–
Class N Shares Transferred in	107,340,071	1,663,505
Class NSP Shares Transferred in	1,217	–
Class O Shares Transferred in	48,231,564	2,487,825
Class OSP Shares Transferred in	18,778,331	–
Class P Shares Transferred in	–	1,035,974
Class PSP Shares Transferred in	1,839,602	–
Class QSP Shares Transferred in	12,466,877	–
Class C Shares Transferred out	(393,795)	(505,793)
Class E Shares Transferred out	(79,006,511)	(241,153,232)
Class EH Shares Transferred out	(1,840,209)	–
Class F Shares Transferred out	(30,504,278)	(1,457,461)
Class FH Shares Transferred out	(510,998)	–
Class G Shares Transferred out	(21,130,151)	–
Class H-N Shares Transferred out	(150,948,044)	–
Class N Shares Transferred out	(63,683,909)	(60,122,229)
Class O Shares Transferred out	(17,439,175)	(2,487,825)
Class OH Shares Transferred out	(18,777,728)	–
Class P Shares Transferred out	(44,267,093)	(1,035,974)
Class Q Shares Transferred out	(61,061,986)	–
<b>Net decrease in net assets resulting from capital transactions</b>	<b>(234,563,256)</b>	<b>(387,618,265)</b>
<b>Net increase in net assets</b>	<b>824,844,609</b>	<b>773,128,449</b>
<b>Net assets at beginning of year</b>	<b>6,901,411,807</b>	<b>6,128,283,358</b>
<b>Net assets at end of year</b>	<b>7,726,256,416</b>	<b>6,901,411,807</b>

See accompanying notes and attached financial statements of Third Point Offshore Master Fund L.P.

## Unaudited Statements of Cash Flows

(Stated in United States Dollars)	Half-year June 30, 2021 \$	Half-year June 30, 2020 \$
<b>Cash flows from operating activities</b>		
Net (decrease)/increase in net assets resulting from operations	1,059,407,865	(470,554,470)
Adjustments to reconcile net increase/decrease in net assets resulting from operations to net cash provided/used in by operating activities:		
Decrease/(increase) in investment in Third Point Offshore Master Fund L.P.	(824,762,171)	715,796,024
Changes in operating assets and liabilities:		
(Increase)/decrease in redemptions receivable from Third Point Offshore Master Fund L.P.	3,483,951	(250,720,455)
Decrease in accrued expenses	(82,438)	(68,822)
<b>Net cash used in/provided by operating activities</b>	<b>238,047,207</b>	<b>(5,547,723)</b>
<b>Cash flows from financing activities</b>		
Proceeds from issuance of shares	254,262,202	81,134,736
Payments for redemption of shares	(517,010,972)	(270,561,811)
<b>Net cash used in financing activities</b>	<b>(262,748,770)</b>	<b>(189,427,075)</b>
Net decrease in cash	(24,701,563)	(194,974,798)
Cash at beginning of period	105,496,694	208,450,192
<b>Cash at end of period</b>	<b>80,795,131</b>	<b>13,475,394</b>

See accompanying notes and attached financial statements of Third Point Offshore Master Fund L.P.

# Notes to Unaudited Condensed Interim Financial Statements

Period ended June 30, 2021

## 1. Organization

Third Point Offshore Fund, Ltd. (the "Fund") was incorporated under the laws of the Cayman Islands on October 21, 1996, commenced operations on December 1, 1996 and is registered under the Cayman Islands Mutual Funds Law and with the Cayman Islands Monetary Authority. The Fund's objective is to seek to generate consistent long-term capital appreciation.

The Fund invests substantially all of its assets in Third Point Offshore Master Fund L.P., an exempted limited partnership formed under the laws of the Cayman Islands (the "Master Partnership"), which, in turn conducts substantially all investment and trading activities on behalf of the Fund. Third Point Advisors II L.L.C. (the "General Partner"), a limited liability company formed under the laws of the State of Delaware and an affiliate of Third Point LLC, serves as the general partner of the Master Partnership.

Third Point LLC (the "Investment Manager") is the Investment Manager of the Fund and the Master Partnership. The Investment Manager is registered with the Securities and Exchange Commission as an Investment Adviser under the Investment Advisers Act of 1940. The Investment Manager is responsible for the operation and management of the Fund, subject to the policies and control of the board of directors of the Fund (the "Board of Directors").

The Fund is an investment company and applies specialized accounting guidance as outlined in *Financial Services – Investment Companies (Topic 946)*. The Investment Manager evaluated this guidance and determined that the Fund meets the criteria to be classified as an investment company. Accordingly, the Fund reflects its investments in the Statements of Assets and Liabilities at their estimated fair value, with unrealized gains and losses resulting from changes in fair value, if any, reflected in net change in unrealized gain/loss on securities, affiliated investment funds, derivative contracts and foreign currency translations in the Statements of Operations.

International Fund Services (N.A.), L.L.C. serves as the administrator (the "Administrator") and transfer agent to the Fund.

## 2. Significant Accounting Policies

The Fund's unaudited interim financial statements are condensed in whole, guided by U.S. generally accepted accounting principles ("U.S. GAAP") and are expressed in United States dollars. Where applicable, certain notes to the unaudited interim financial statements are condensed to include only information relevant to Third Point Offshore Investors Limited ("ListCo"). The following is a summary of the significant accounting and reporting policies:

The Fund is exempt from all forms of taxation in the Cayman Islands, including income, capital gains and withholding taxes. In jurisdictions other than the Cayman Islands, in some cases foreign taxes will be withheld at source on dividends and certain interest received by the Fund. Capital gains derived by the Fund in such jurisdictions generally will be exempt from foreign income or withholding taxes at the source.

The Investment Manager has reviewed the Fund's tax positions in accordance with U.S. GAAP and has concluded that no material provision for income tax is required in the Fund's financial statements. Generally, the Fund may be subject to income tax examinations by major taxing authorities including United States and other authorities for open tax years since inception.

The Fund would recognize interest and penalties, if any, related to unrecognized tax positions as income tax expense in the Statements of Operations. During the period ended June 30, 2021, the Fund did not incur any interest or penalties.

See attached financial statements of Third Point Offshore Master Fund L.P.

# Notes to Unaudited Condensed Interim Financial Statements continued

Period ended June 30, 2021

## 2. Significant Accounting Policies (continued)

The Fund records securities transactions and related income and expense on a trade-date basis. Realized gains and losses are determined using cost calculated on a specific identification basis. Dividends are recorded on the ex-dividend date. Income and expenses, including interest income and expenses, are recorded on the accrual basis.

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the amounts and disclosures in the financial statements and accompanying notes. Actual results could differ from these estimates.

The fair value of the Fund's assets and liabilities, which qualify as financial instruments, approximates the carrying amounts presented in the Statements of Assets and Liabilities.

The Fund's investment in the Master Partnership is valued at fair value, which is represented by the Fund's proportionate interest in the Partners' Capital of the Master Partnership, which was \$7,726,251,118 at June 30, 2021. The percent of the Master Partnership owned by the Fund at June 30, 2021 was approximately 96.7%. The Fund's allocated share of each item of the Master Partnership's income and expense is reflected in the accompanying Statements of Operations. The performance of the Fund is directly affected by the performance of the Master Partnership and is subject to the same risks to which the Master Partnership is subject. Attached are the unaudited interim financial statements of the Master Partnership.

Valuation of investments held by the Master Partnership is discussed in the notes to the Master Partnership's unaudited financial statements. The Fund records monthly its proportionate share of the Master Partnership's income, expenses, and realized and change in unrealized gains and losses. In addition, the Fund accrues its own income and expenses. The Fund records subscriptions and redemptions related to its investment in the Master Partnership on the transaction date.

All of the Fund's cash was held with major U.S. financial institutions, of which a majority was held with one institution. At times, cash may be in excess of federally insured limits.

## 3. Related Party Transactions

Pursuant to the investment management agreement, the Master Partnership pays the Investment Manager a management fee at an annual rate of 1.50% (Classes N, O, P, and Q) to 2.00% (Classes A, B, C, D, E, F and H) of the net asset value of the shares as of the beginning of each month before the accrual of any incentive allocation. The Investment Manager, in its sole discretion, may elect to reduce, waive or calculate differently the management fee with respect to partners, members, employees, affiliates or other related investors of the Investment Manager or the General Partner. The Investment Manager has granted a management fee discount of 0.25% to certain investors based on either the size or duration of their investment in the Fund. For the period ended June 30, 2021, the management fee allocated from the Master Partnership was \$58,765,739.

The Fund pays an incentive allocation to the Investment Manager, allocated to the General Partner of the Master Partnership, equal to 20% of the annual increase in the aggregate net asset value of each series of Class A, B, C, D, E, F, H, N, O, P and Q shares (the "Full Incentive Allocation"). The incentive Allocation is accrued monthly and allocated to the General Partner of the Master Partnership at the end of each fiscal year. The incentive allocation is calculated in a manner which ensures that appropriate adjustments are made in order to accommodate the inflows and outflows of capital during the course of each fiscal year resulting from shareholder subscriptions and redemptions. If a particular series depreciates during any fiscal year and during subsequent years there is a profit attributable to such series, the series must recover an amount equal to 2.5 times the amount of depreciation in the prior years before the General Partner of the Master Partnership is entitled to the Full Incentive Allocation. Until

*See attached financial statements of Third Point Offshore Master Fund L.P.*

### 3. Related Party Transactions (continued)

this occurs, the series will be subject to a reduced incentive allocation equal to half of the Full Incentive Allocation. For the period ended June 30, 2021, the incentive allocation from the Master Partnership totaled \$261,183,330

In accordance with the investment management agreement, amounts related to professional fees paid by the Investment Manager on behalf of the Fund would be included in accrued expenses in the Statements of Assets and Liabilities. For the period ended June 30, 2021, the Investment Manager did not pay any professional fees on behalf of the Fund. As of June 30, 2021, the Fund had no balance due to the Investment Manager related to such expenses. An employee of the Investment Manager is also a director of the Fund and does not receive remuneration as a director.

### 4. Share Capital

The Fund has an authorized share capital consisting of \$2,000,000 divided into 200,000,000 participating shares of \$0.01 each. The Fund issues a separate series of shares to those investors who purchase shares as of the first business day of each month. A different series of shares is issued in order to equitably reflect the differing incentive allocations attributable to each series because of the differing issue dates throughout the fiscal year. Shares are offered in series at a purchase price of \$100 per share. At June 30, 2021, there were twelve outstanding classes (each, a "Class") of shares: Class A, B, C, D, E, F, G, H, N, O, P and Q and within each class there is one or more separate series. Each share is equal to every other share of the same series with respect to earnings, assets, dividends and voting privileges. The Fund may invest, directly or indirectly, in equity securities in initial public offerings deemed "new issues" under Rule 5130 of the Financial Industry Regulatory Authority ("FINRA") Consolidated Rulebook. "New issues" are defined as any initial public offering of an equity, regardless of whether such security is trading at a premium in the secondary market. FINRA members generally may not sell "new issues" to an account, in which certain persons or entities designated as restricted persons have beneficial interest. Class B, D, F, G, O, and Q shares will in aggregate participate only up to 10% of profits and losses from "new issues". The Investment Manager waives management and incentive allocations for Class G shares.

Class A and B shares have monthly redemption rights. Class C, D, E, F, G and H shares have quarterly redemption rights. Class P and Q shares have annual redemption rights. Class N and O shares have quarterly redemption rights but are subject to an investor-level gate whereby a shareholder's aggregate redemptions will be limited to 25%, 33 1/3%, 50%, and 100% of the cumulative net asset value of such Class N and O shares held by the shareholder as of any four consecutive redemption dates. Redemptions made during the initial subscription year are subject to a redemption fee equal to 5% of the redemption proceeds for Class D, E, G and H shares. Redemptions made intra-annually are subject to a redemption fee equal to 5% of the redemption proceeds for Class P and Q. The redemption fee is for the benefit of the Fund and proceeds are allocated on a pro-rata basis to the remaining shareholders. All redemption rights are subject to an overall limit, at the discretion of the Fund's Board of Directors, of aggregate redemptions in any calendar quarter of 20% of the Fund's NAV as of the first day of such calendar quarter.

The Board of Directors has the right to create additional classes, series and sub-series for an investor as it determines appropriate in its sole discretion. Each series of a Class will have equal rights and privileges with each other series of that Class.

If at the end of a fiscal year, a series of a class of shares is charged a Full Incentive Allocation, the shares of such series may be redesignated and converted on the first business day following the end of the fiscal year into the first series of such class at the prevailing net asset value of such series. No redesignation or conversion shall occur with respect to a series of a class if at the end of a fiscal year such series has not been charged a Full Incentive Allocation.

*See attached financial statements of Third Point Offshore Master Fund L.P.*

# Notes to Unaudited Condensed Interim Financial Statements continued

Period ended June 30, 2021

## 4. Share Capital (continued)

The following share capital schedule is condensed to include only those share classes and series relevant to ListCo at June 30, 2021. The Fund shall detail all classes and series in the Fund's audited annual financial statements for the year ending December 31, 2021.

	Shares Outstanding at 12/31/20	Shares Rolled Up	Shares Transferred In	Shares Transferred Out	Shares Issued	Shares Redeemed	Shares Outstanding at 30-Jun-21	Net Asset Value Per Share at 30-Jun-21
Class N - 1.25, Series 9	2,721,631	-	-	(92,451)	-	(34,393)	2,594,786	393.30
Class E - 1.75, Series 7	58,000	(58,000)	92,451	-	-	(92,451)	-	392.90
Class E - 1.75, Series 65	30	-	21,022	-	-	(20,601)	451	390.92
Class E - 1.75, Series 96	6,512	-	-	(6,512)	-	-	-	-
Class E - 1.75, Series 103	14,452	-	-	(14,452)	-	-	-	-

## 5. Indemnifications

In the normal course of business, the Fund enters into contracts that contain a variety of indemnifications and warranties. The Fund's maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against the Fund that have not yet occurred. However, the Fund has not had prior claims or losses pursuant to these contracts and expects the risk of loss to be remote. Thus, no amounts have been accrued related to such indemnifications. The Fund also indemnifies the Investment Manager and employees from and against any loss or expense, including, without limitation any judgment, settlement, legal fees and other costs. Any expenses related to this indemnification would be reflected in administrative and professional fees in the Statements of Operations. The Fund did not incur any expenses related to indemnifications for the period ended June 30, 2021.

## 6. Financial Highlights

The following table represents the per share operating performance, ratios to average net assets and total return information for the period ended June 30, 2021. The table only includes share classes and series relevant to ListCo at June 30, 2021. The Fund shall detail representative series for all outstanding classes in the Fund's audited annual financial statements for the year ending December 31, 2021.

	Class N -1.25, Series 9	Class E -1.75, Series 65
<b>Per share operating performance</b>		
Net asset value at the beginning of the year	\$ 340.65	\$ 339.27
Income from investment operations:		
Net realised and unrealised gain/(loss) from investments	65.85	65.53
Net investment loss	(0.04)	(0.97)
Incentive allocation	(13.16)	(12.91)
<b>Total from investment operations</b>	<b>52.65</b>	<b>51.65</b>
<b>Net asset value at the end of the year</b>	<b>\$393.30</b>	<b>\$390.92</b>
Total return before incentive allocation	19.32%	19.03%
Incentive allocation	-3.86%	-3.81%
<b>Total return after incentive allocation</b>	<b>15.46%</b>	<b>15.22%</b>
<b>Ratios of expenses to average net assets</b>		
Total expenses before incentive allocation	(1.17%)	(0.94%)
Incentive allocation	-3.58%	-2.47%
<b>Total expenses and incentive allocation</b>	<b>(4.75%)</b>	<b>(3.41%)</b>
<b>Net investment loss</b>	<b>(0.01%)</b>	<b>(0.02%)</b>

The total return and ratios to average net assets of other series in the same share class may vary based on participation in "new issues" and the timing of capital subscriptions and redemptions. The per share information, total return and ratios to average net assets information include the Fund's proportionate share of the Master Partnership's income and expenses. The net investment income ratio does not include the effect of the incentive allocation.

## 7. Subsequent Events

Subsequent to June 30, 2021, the Fund received approximately \$190.5 million in capital subscriptions, of which \$80.8 million was received in advance, and recorded redemptions of approximately \$202.4 million through September 30, 2021. Subsequent to June 30, 2021 revisions to the Fund's offering documents provide for the establishment of share classes Y and Z. These revisions also include a change to the calculation methodology for an investor's Loss Recovery Account from a "modified" high watermark methodology to a "traditional" high watermark methodology. Subsequent events were evaluated by the Fund's management until September 1, 2021, which is the date the financial statements were available to be issued.

See attached financial statements of Third Point Offshore Master Fund L.P.

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THIRD  
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FINANCIAL STATEMENTS

**THIRD POINT  
OFFSHORE  
MASTER FUND L.P.**

As of and for the Period Ended June 30, 2021  
Unaudited Condensed Interim Financial Statements

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# Statements of Financial Condition

(Stated in United States Dollars)	Unaudited June 30, 2021 \$	Audited December 31, 2020 \$
<b>Assets</b>		
Cash	265,840,037	255,184,336
Investments in securities, at fair value (cost \$7,854,935,820, 2020: \$7,115,649,192)	10,785,546,443	9,358,372,605
Investments in affiliated investment funds, at fair value (cost \$29,006,419, 2020: \$21,778,064)	46,429,213	36,142,980
Due from brokers	701,663,406	493,511,005
Derivative contracts, at fair value (net upfront fees paid and cost of \$30,339,422, 2020: \$32,727,385)	107,273,469	152,746,268
Interest and dividends receivable	14,869,968	13,902,365
Other assets	7,939,812	20,922,090
<b>Total assets</b>	<b>11,929,562,348</b>	<b>10,330,781,649</b>
<b>Liabilities and Partners' Capital</b>		
<b>Liabilities</b>		
Securities sold, not yet purchased, at fair value (proceeds \$1,543,197,682, 2020: \$749,910,720)	1,654,283,355	738,319,221
Securities sold under an agreement to repurchase	65,272,399	33,171,113
Due to brokers	1,933,812,309	2,130,691,745
Derivative contracts, at fair value (net upfront fees received and proceeds of \$4,381,985 2020: \$4,472,216)	87,061,920	95,710,029
Withdrawals payable to Limited Partner	187,249,226	190,733,177
Withdrawals payable to General Partner	-	232,032,072
Interest and dividends payable	3,450,792	2,293,539
Management fee payable	42,281	176,542
Accrued expenses	8,174,103	4,165,264
<b>Total liabilities</b>	<b>3,939,346,385</b>	<b>3,427,292,702</b>
Commitments (See Note 6 and Note 10)		
<b>Partners' capital</b>		
General Partner's capital	263,964,845	2,000,000
Limited Partner's capital	7,726,251,118	6,901,488,947
<b>Total Partners' capital</b>	<b>7,990,215,963</b>	<b>6,903,488,947</b>
<b>Total liabilities and partners' capital</b>	<b>11,929,562,348</b>	<b>10,330,781,649</b>

See accompanying notes.

# Unaudited Statements of Operations

(Stated in United States Dollars)	Half-year June 30, 2021 \$	Half-year June 30, 2020 \$
<b>Realized and unrealized gain/(loss) on investment transactions</b>		
Net realized gain/(loss) from securities and foreign currency translations	900,310,453	274,357,242
Net realized gain/(loss) from affiliated investment funds and foreign currency translations	1,507,776	(1,442,586)
Net realized gain/(loss) from derivative contracts and foreign currency translations	(87,500,508)	(24,980,221)
Net change in unrealized gain/(loss) on securities and foreign currency translations	565,210,038	(589,121,233)
Net change in unrealized gain/(loss) on affiliated investment funds and foreign currency translations	3,057,878	(17,361,051)
Net change in unrealized gain/(loss) on derivative contracts and foreign currency translations	(34,526,958)	(105,148,449)
Net gain/(loss) from currencies	(1,035,319)	(6,410,396)
<b>Net realized and unrealized (loss)/gain on investment transactions</b>	<b>1,347,023,360</b>	<b>(470,106,694)</b>
<b>Investment income</b>		
Interest	68,285,207	52,425,381
Dividends, net of withholding taxes of \$2,338,090 (2020: \$6,948,342)	7,358,075	16,391,294
Stock loan fees	84,049	2,907,755
Other	-	1,378,685
<b>Total investment income</b>	<b>75,727,331</b>	<b>73,103,115</b>
<b>Expenses</b>		
Management fee	58,765,739	46,093,655
Dividends on securities sold, not yet purchased	12,308,491	10,179,231
Stock borrow fees	8,562,540	1,402,543
Interest	7,906,959	9,028,974
Administrative and professional fees	5,635,301	3,858,400
Research fees	4,835,000	3,001,000
Other	3,159,525	144,274
<b>Total expenses</b>	<b>101,173,555</b>	<b>73,708,077</b>
<b>Net investment loss</b>	<b>(25,446,224)</b>	<b>(604,962)</b>
<b>Net income/(loss)</b>	<b>1,321,577,136</b>	<b>(470,711,656)</b>

See accompanying notes.

# Statements of Changes in Partners' Capital

## Unaudited Half-year June 30, 2021

(Stated in United States Dollars)	Total \$	General Partner \$	Limited Partner \$
Partners' capital at beginning of period	6,903,488,947	2,000,000	6,901,488,947
Capital contributions	278,963,766	-	278,963,766
Capital withdrawals	(513,813,886)	-	(513,813,886)
Allocation of net income:			
Pro-rata allocation	1,321,577,136	781,515	1,320,795,621
Incentive allocation	-	261,183,330	(261,183,330)
Net income	1,321,577,136	261,964,845	1,059,612,291
<b>Partners' capital at end of period</b>	<b>7,990,215,963</b>	<b>263,964,845</b>	<b>7,726,251,118</b>

See accompanying notes.

## Audited Year ended December 31, 2020

(Stated in United States Dollars)	Total \$	General Partner \$	Limited Partner \$
Partners' capital at beginning of year	6,135,227,275	6,810,952	6,128,416,323
Capital contributions	721,081,726	-	721,081,726
Capital withdrawals	(1,341,176,750)	(232,032,072)	(1,109,144,678)
Allocation of net income:			
Pro-rata allocation	1,388,356,696	2,017,370	1,386,339,326
Incentive allocation	-	225,203,750	(225,203,750)
Net income	1,388,356,696	227,221,120	1,161,135,576
<b>Partners' capital at end of year</b>	<b>6,903,488,947</b>	<b>2,000,000</b>	<b>6,901,488,947</b>

See accompanying notes.

# Unaudited Statements of Cash Flows

(Stated in United States Dollars)	Half-year June 30, 2021 \$	Half-year June 30, 2020 \$
<b>Cash flows from operating activities</b>		
Net Income (Loss)	1,321,577,136	(470,711,656)
Adjustments to reconcile net income/(loss) to net cash provided by / (used in) operating activities:		
Purchases of investment securities	(9,205,556,482)	(9,512,508,506)
Proceeds from disposition of investment securities	9,614,378,695	9,187,836,145
Purchases of investment securities to cover short sales	(983,516,057)	(923,752,748)
Proceeds from short sales of investment securities	1,520,508,680	619,528,711
Purchases of affiliated investment funds	(75,415,949)	(22,056,398)
Proceeds from disposition of affiliated investment funds	69,695,370	21,673,063
Purchases of derivative contracts	(299,242,556)	198,846,766
Proceeds from disposition of derivative contracts	214,039,780	(214,073,877)
Settlements for financing of repurchase agreements	32,101,286	
Net realized gain/(loss) from securities and foreign currency translations	(900,310,453)	(274,357,242)
Net realized gain/(loss) from affiliated investment funds and foreign currency translations	(1,507,776)	1,442,586
Net realized gain/(loss) from derivative contracts and foreign currency translations	87,500,508	24,980,221
Net change in unrealized gain/(loss) on securities and foreign currency translations	(565,210,038)	589,121,233
Net change in unrealized gain/(loss) on affiliated investment funds and foreign currency translations	(3,057,878)	17,361,051
Net change in unrealized gain/(loss) on derivative contracts and foreign currency translations	34,526,958	105,148,449
Amortization of premium and accretion of discount, net	8,495,951	(809,699)
Changes in operating assets and liabilities:		
Increase/(Decrease) in due from brokers	(208,152,401)	3,877,195
Increase/(Decrease) in interest and dividends receivable	(967,603)	(6,284,711)
Increase/(Decrease) in other assets	12,982,278	(13,863,995)
Increase/(Decrease) in securities sold under agreement to repurchase	-	9,735,621
Increase/(Decrease) in due to brokers	(196,879,436)	1,303,471,161
Increase/(Decrease) in management fee payable	(134,261)	(6,345)
Increase/(Decrease) in interest and dividends payable	1,157,253	79,358
Increase/(Decrease) in accrued expenses	4,008,839	(3,906,839)
<b>Net cash provided by/(used in) operating activities</b>	<b>481,021,844</b>	<b>640,769,544</b>
<b>Cash flows provided by/(used in) financing activities</b>		
Capital contributions	278,963,766	276,124,470
Capital withdrawals	(749,329,909)	(370,937,705)
<b>Net cash provided by/(used in) financing activities</b>	<b>(470,366,143)</b>	<b>(94,813,235)</b>
Net Increase/(Decrease) in cash	10,655,701	545,956,309
Cash at beginning of period	255,184,336	51,254
<b>Cash at end of period</b>	<b>265,840,037</b>	<b>546,007,563</b>
<b>Supplemental disclosure of cash flow information</b>		
<b>Cash paid during the period for interest</b>	<b>7,179,136</b>	<b>8,949,616</b>

See accompanying notes.

# Notes to Unaudited Condensed Interim Financial Statements

Period ended June 30, 2021

## 1. Organization

Third Point Offshore Master Fund L.P. (the "Partnership") was organized as a limited partnership under the laws of the Cayman Islands and commenced operations on January 1, 2009. The Partnership was formed to trade and invest primarily in equity and debt securities of U.S. and foreign companies. The investment objective of the Partnership is to achieve superior risk-adjusted returns by deploying capital in investments with a favorable risk/reward scenario across select asset classes, sectors, and geographies, both long and short. Third Point LLC (the "Investment Manager") identifies these opportunities using a combination of top-down asset allocation decisions and a bottom-up, value-oriented approach to single security analysis. The Investment Manager supplements single security analysis with an approach to portfolio construction that includes sizing each investment based on upside/downside calculations, all with a view towards appropriately positioning and managing overall exposures across specific asset classes, sectors and geographies. The Partnership will continue until terminated as provided for in the Fifth Amended and Restated Exempted Limited Partnership Agreement (the "Agreement").

The Partnership serves as the master fund in a "master-feeder" structure whereby Third Point Offshore Fund, Ltd. (the "Feeder"), a Cayman Islands exempted company, invests substantially all of its assets in the Partnership, which conducts all investment and trading activities on behalf of the Feeder. The Feeder and the Partnership have the same investment objectives. At June 30, 2021, approximately 96.7% of the Partnership's capital was owned by the Feeder.

Third Point LLC is the Investment Manager of the Partnership. The General Partner of the Partnership is Third Point Advisors II L.L.C. The Investment Manager is registered with the Securities and Exchange Commission as an Investment Adviser under the Investment Advisers Act of 1940. The Investment Manager and the General Partner are responsible for the operation and management of the Partnership.

The Partnership is an investment company and applies specialized accounting guidance as outlined in *Financial Services – Investment Companies (Topic 946)*. The Investment Manager evaluated this guidance and determined that the Partnership meets the criteria to be classified as an investment company. Accordingly, the Partnership reflects its investments in the Statements of Financial Condition at their estimated fair value, with unrealized gains and losses resulting from changes in fair value, if any, reflected in net change in unrealized gain/loss on securities, affiliated investment funds, derivative contracts and foreign currency translations in the Statements of Operations.

International Fund Services (N.A.), L.L.C. serves as the administrator (the "Administrator") and transfer agent to the Partnership.

## 2. Significant Accounting Policies

The Partnership's unaudited interim financial statements are condensed in whole, guided by U.S. generally accepted accounting principles ("U.S. GAAP") and are expressed in United States dollars. Where applicable, certain notes to the unaudited interim financial statements are condensed to include only information relevant to Third Point Investors Limited ("ListCo"). The Partnership's unaudited interim financial statements have been prepared without a Condensed Schedule of Investments, which the Partnership will include in the audited financial statements for the year ended December 31, 2021. The following is a summary of the significant accounting and reporting policies:

The Partnership is exempt from all forms of taxation in the Cayman Islands, including income, capital gains and withholding taxes. In jurisdictions other than the Cayman Islands, in some cases foreign taxes will be withheld at source on dividends and certain interest received by the Partnership. Capital gains derived by the Partnership in such jurisdictions generally will be exempt from foreign income or

# Notes to Unaudited Condensed Interim Financial Statements continued

Period ended June 30, 2021

## 2. Significant Accounting Policies (continued)

withholding taxes at the source. The Partnership will be treated as a partnership for federal income tax purposes and each investor will be subject to taxation on its share of the Partnership's ordinary income and capital gains.

The Partnership evaluates tax positions taken or expected to be taken in the course of preparing the Partnership's tax returns to determine whether the tax positions are "more-likely-than-not" of being sustained by the applicable tax authority. Tax positions not deemed to meet a "more likely-than-not" threshold would be recorded as a tax expense in the current period. The General Partner has reviewed the Partnership's tax positions and has concluded that no material provision for income tax is required in the Partnership's financial statements. Generally, the Partnership may be subject to income tax examinations by major taxing authorities including the United States and other authorities for open tax years since inception.

The Partnership would recognize interest and penalties, if any, related to unrecognized tax positions as income tax expense in the Statements of Operations. During the period ended June 30, 2021, the Partnership did not incur any interest or penalties related to unrecognized tax positions.

The Partnership records security transactions and related income and expense on a trade-date basis. Realized gains and losses are determined using cost calculated on a specific identification basis. Dividends are recorded on the ex-dividend date. Income and expense are recorded on the accrual basis including interest and premiums amortized and discounts accreted on interest bearing investments.

The Partnership may enter into repurchase and reverse repurchase agreements with financial institutions in which the financial institution agrees to resell or repurchase securities and the Partnership agrees to repurchase or resell such securities at a mutually agreed price upon maturity. These agreements are collateralized primarily by debt securities. At June 30, 2021, the fair value of securities pledged under repurchase agreements was \$95,787,465 and included in investments in securities on the Statements of Financial Condition. Interest expense and income related to repurchase and reverse repurchase agreements held during the year are included in the Statement of Operations. Generally, repurchase and reverse repurchase agreements that the Partnership enters into mature within 30 to 90 days.

The Partnership engages in securities lending transactions whereby upon the Partnership's request, its prime brokers, as lending agents, may loan securities of the Partnership as selected by the Partnership to certain institutions. The securities loaned are generally collateralized in the form of cash or U.S. treasury securities in an amount typically at least equal to the fair value of the securities loaned. The fair value of the loaned securities is determined at the close of business on each business day and any additional required collateral is delivered to the Partnership on the next business day. Risks may arise upon entering into securities lending transactions to the extent that the value of the collateral is less than the value of the securities loaned due to changes in the value of the securities loaned.

The Partnership may lend securities for securities lending transactions or pledge securities and/or cash for securities borrowed transactions. The value of any securities loaned is reflected in investments in securities in the Statements of Financial Condition. As of June 30, 2021, the Partnership did not loan any securities to counterparties. Any cash received as secured borrowings or as collateral under securities lending or repurchase agreements are reflected in due to brokers. Any securities received as collateral under reverse repurchase agreements are recorded in the Statement of Financial Condition to the extent they have been re-hypothecated or used to satisfy proprietary short selling.

Changes in the value of the securities loaned that may occur during the course of the loan will be recognized by the Partnership. The Partnership has the right under the lending agreement to recover the

**2. Significant Accounting Policies (continued)**

securities from the borrower on demand. The Partnership receives interest based on the outstanding fair value of the loaned shares at a rate that is initially agreed with the prime broker prior to lending the shares and is subject to change by mutual agreement of the parties over the course of the transaction.

The Partnership's repurchase and securities lending agreements may result in credit exposure in the event the counterparty to the transaction is unable to fulfill its contractual obligations. It is the Partnership's policy to monitor and control collateral under such agreements. Refer to note 8 for additional disclosures regarding the Partnership's collateral policy.

The following table presents the remaining contractual maturity of the securities lending transactions and repurchase agreements, as well as the total amount to be received upon repurchase by class of collateral received and pledged, respectively, as of June 30, 2021.

Repurchase agreements	Overnights and Continuous \$	Up to 30 days \$	30 - 90 days \$	Greater Than 90 days \$	Total \$
Asset-backed securities	-	-	65,272,399	-	65,272,399

The fair value of the Partnership's assets and liabilities which qualify as financial statements approximates the carrying amounts presented in the Statements of Financial Condition.

The preparation of unaudited condensed interim financial statements requires management to make estimates and assumptions that affect the amounts and disclosures in the financial statements and accompanying notes. Actual results could differ from these estimates.

The Investment Manager has a formal valuation policy that sets forth the pricing methodology for investments to be implemented in fair valuing each security in the Partnership's portfolio. Depending on market or company circumstances, valuation techniques and methodologies may change from year to year. The valuation policy is reviewed at least on an annual basis by the valuation committee (the "Committee"). The Committee is comprised of officers and employees who are senior business management personnel. The Committee meets on a monthly basis. The Committee's role is to review and verify the propriety and consistency of the valuation methodology to determine fair value of investments. The Committee also reviews any due diligence performed and approves any changes to current or potential external pricing vendors.

Securities listed on a national securities exchange or quoted on NASDAQ are valued at their last sales price. Listed securities with no reported sales on such date and over-the-counter ("OTC") securities are valued at their last closing bid price if held long by the Partnership and last closing ask price if held short by the Partnership. Approximately \$605.5 million, or approximately 5.5% of the Partnership's investment in securities, affiliated investment funds and derivative assets, are valued based on dealer quotes or other quoted market prices for similar securities.

Private securities, real estate and related debt investments are not registered for public sale and are carried at an estimated fair value at the end of the period, as determined by the Investment Manager. Valuation techniques used by the Investment Manager in determining fair value may include market approach, appraisals, last transaction analysis, liquidation analysis and/or using discounted cash flow models where the significant inputs could include but are not limited to additional rounds of equity financing, financial metrics such as revenue multiples or price-earnings ratio, discount rates, appraisals revenue projections and other factors. In addition, the Investment Manager employs third party valuation

# Notes to Unaudited Condensed Interim Financial Statements continued

Period ended June 30, 2021

## 2. Significant Accounting Policies (continued)

firms to conduct separate valuations of such private securities. The third party valuation firms provide the Investment Manager with a written report documenting their recommended valuation as of the determination date for the specified investments.

Due to the inherent uncertainty of valuation for these investments, the estimate of fair value for the Partnership's interest in these investments may differ from the values that would have been used had a ready market existed for the investment, and the difference could be material. At June 30, 2021, the Partnership had approximately \$438.7 million of assets fair valued by the Investment Manager, representing approximately 4% of investments in securities, affiliated investment funds and derivative contracts. Approximately 83% of the investments in securities, affiliated investment funds and derivative contracts that were fair valued by the Investment Manager that were fair valued by the Investment Manager were valued by third party valuation firms. The resulting unrealized gains and losses are reflected in the Statements of Operations.

The Partnership's derivatives are recorded at fair value. The Partnership values exchange-traded derivative contracts at their last sales price on the exchange where it is primarily traded. OTC derivatives, which include swap, option, swaption, and forward currency contracts, are valued at independent values provided by third party sources when available; otherwise, fair values are obtained from counterparty quotes that are based on pricing models that consider the time value of money, volatility, and the current market and contractual prices of the underlying financial instruments.

As of June 30, 2021, all of the Partnership's asset-backed securities ("ABS") holdings were private-label issued, non-investment grade securities, and some of these securities were not guaranteed by government-sponsored entities. These investments are valued using broker quotes or a recognized third-party pricing vendor, where available. All of these classes of ABS are sensitive to changes in interest rates and any resulting change in the rate at which borrowers sell their properties, refinance, or otherwise pre-pay their loans. As an investor in these classes of ABS, the Partnership may be exposed to the credit risk of underlying borrowers not being able to make timely payments on loans or the likelihood of borrowers defaulting on their loans. In addition, the Partnership may be exposed to significant market and liquidity risks.

Investment funds are valued at fair value. Fair values are generally determined utilizing the net asset value ("NAV") provided by, or on behalf of, the underlying investment managers of each investment fund, which is net of management and incentive fees or allocations charged by the investment fund and is in accordance with the "practical expedient", as defined by U.S. GAAP. NAVs received by, or on behalf of, the underlying investment managers are based on the fair value of the investment funds' underlying investments in accordance with policies established by each investment fund, as described in each of their financial statements and offering memorandum. The strategies of the underlying investment funds may include communications, global emerging markets, real estate, regional markets, financial, multi-strategy, middle market buy-out and litigation financing. The Investment Manager generally has limited access, if any, to specific information regarding the underlying non-affiliated investment managers' portfolios and relies on NAVs provided by or on behalf of the underlying managers. The management agreements of non-related party investment funds provide for compensation to the underlying managers in the form of management and performance fees. The Partnership's investments in investment funds are non-redeemable and distributions are made by the investment funds as underlying investments are monetized. It is expected that the underlying investments will be monetized over the next five years. During the period ended June 30, 2021, the Partnership did not receive any distributions relating to the investment funds' underlying investments.

## 2. Significant Accounting Policies (continued)

Investments in affiliated investment funds are recorded at fair value in accordance with the valuation policies discussed above. Investments in affiliated funds include the Partnership's investments in the equity and debt instruments of the special-purpose entities managed by the Investment Manager.

Certain of the Partnership's investments are denominated in foreign currencies and thus, are subject to the risk associated with foreign currency fluctuations. These investments are translated into U.S. dollar amounts at the date of valuation. Purchases and sales of investments and income and expenses denominated in foreign currencies are translated in U.S. dollar amounts on the respective dates of such transactions. The Partnership does not isolate the portion of the results of operations resulting from changes in foreign exchange rates on investments, investments in affiliated investment funds and derivative contracts from the fluctuations arising from changes in market values of investments, investments in affiliated investment funds, and derivative contracts. Such fluctuations are included within net realized gain/(loss) on securities, affiliated funds, derivative contracts and foreign currency translations and net change in unrealized gain/(loss) on securities, affiliated investment funds, derivative contracts, and foreign currency translations in the Statements of Operations.

Fair value is defined as the price that the Partnership would receive to sell an asset or pay to transfer a liability in an orderly transaction between market participants at the measurement date. The disclosure requirements also establish a framework for measuring fair value, and a three-level hierarchy for fair value measurements based upon the transparency of inputs to the valuation of an asset or liability. The three-tier hierarchy of inputs is summarized below:

- Level 1 – Quoted prices available in active markets/exchanges for identical investments as of the reporting date. The types of assets and liabilities that are classified at this level generally include equity securities, futures and option contracts listed in active markets.
- Level 2 – Pricing inputs other than observable inputs including but not limited to prices quoted for similar assets or liabilities in active markets/exchanges or prices quoted for identical or similar assets or liabilities in markets that are not active, and fair value is determined through the use of models or other valuation methodologies. The types of assets and liabilities that are classified at this level generally include equity securities traded on non-active exchanges, corporate, sovereign, asset-backed and bank debt securities, forward contracts and certain derivatives.
- Level 3 – Pricing inputs are unobservable due to little, if any, market activity and data. The inputs into determination of fair value require significant management judgment and estimation. The types of assets and liabilities that are classified at this level generally include certain corporate and bank debt, asset-backed securities, private investments, trade claims and certain derivatives.

Inputs refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk, for example, the risk inherent in a particular valuation technique used to measure fair value including a pricing model and/or the risk inherent in the inputs to the valuation technique. Inputs may be observable or unobservable.

Situations may arise when market quotations or valuations provided by external pricing vendors are available but the fair value may not represent current market conditions. In those cases, the Investment Manager may substitute valuations provided by external pricing vendors with multiple broker-dealer quotations.

In accordance with U.S. GAAP, the Partnership has not leveled positions valued using the practical expedient.

# Notes to Unaudited Condensed Interim Financial Statements continued

Period ended June 30, 2021

## **2. Significant Accounting Policies (continued)**

Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available in the circumstances.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The Investment Manager's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment.

The key inputs for corporate, government and sovereign bonds valuation are coupon frequency, coupon rate and underlying bond spread. The key inputs for asset-backed securities are yield, probability of default, loss severity and prepayment.

Key inputs for OTC valuation vary based on the type of underlying on which the contract was written. Please see below discussion by OTC type:

- The key inputs for most OTC option contracts include notional, strike price, maturity, payout structure, current foreign exchange forward and spot rates, current market price of underlying and volatility of underlying.
- The key inputs for most forward contracts include notional, maturity, forward rate, spot rate, various interest rate curves and discount factor.
- The key inputs for swap valuation will vary based on the type of underlying on which the contract was written. Generally, the key inputs for most swap contracts include notional, swap period, fixed rate, credit or interest rate curves, current market or spot price of the underlying and the volatility of the underlying.

## 2. Significant Accounting Policies (continued)

The following is a summary of the Partnership's assets and liabilities categorized by the inputs utilized to determine their fair value as of June 30, 2021:

### Fair Value Measurements at June 30, 2021

	Quoted prices in active markets (Level 1) \$	Significant other observable inputs (Level 2) \$	Significant unobservable inputs (Level 3) \$	Total \$
<b>Assets</b>				
<b>Investments in Securities</b>				
Equity Securities	7,419,762,725	646,442,432	-	8,066,205,157
Corporate Bonds	-	721,912,205	58,758,344	780,670,549
Bank Debt	-	79,438,610	26,827,920	106,266,530
Option Contracts	-	44,129,069	-	44,129,069
Rights and Warrants	17,859,177	-	16,883,246	34,742,423
Private Common Equity Securities	-	-	20,098,925	20,098,925
Private Preferred Equity Securities	-	-	262,624,904	262,624,904
Asset-Backed Securities	-	985,382,249	368,737,714	1,354,119,963
Digital Assets	49,465,537	-	-	49,465,537
Real Estate	-	-	44,222,451	44,222,451
Sovereign Debt	-	-	3,306,979	3,306,979
Trade Claims	-	-	180,958	180,958
<b>Derivatives Contracts<sup>(1)</sup></b>				
Commodity Futures – Long Contracts	-	11,068,669	-	11,068,669
Contracts for Differences – Long Contracts	-	27,508,784	-	27,508,784
Contracts for Differences – Short Contracts	-	632,921	-	632,921
Credit Default Swaps – Protection Purchased	-	-	529,242	529,242
Foreign Currency Forward Contracts	-	561,926	-	561,926
Index Futures – Short Contracts	659,708	-	-	659,708
Interest Rate Swaptions	-	50,012,988	-	50,012,988
Total Return Swaps – Long Contracts	-	-	38,715	38,715
Total Return Swaps – Short Contracts	-	16,260,516	-	16,260,516
<b>Subtotal</b>	<b>7,487,747,147</b>	<b>2,583,350,369</b>	<b>802,209,398</b>	<b>10,873,306,914</b>
<b>Investments Valued at NAV</b>	-	-	-	<b>65,942,211</b>
<b>Investments in Securities, Affiliated Investment Funds, and Derivative Contracts</b>	-	-	-	<b>10,939,249,125</b>

# Notes to Unaudited Condensed Interim Financial Statements continued

Period ended June 30, 2021

## 2. Significant Accounting Policies (continued)

	Quoted prices in active markets (Level 1) \$	Significant other observable inputs (Level 2) \$	Significant unobservable inputs (Level 3) \$	Total \$
<b>Liabilities</b>				
Equity Securities	1,460,600,234	3,468,199	-	1,464,068,433
Corporate Bonds	-	4,203,979	-	4,203,979
Option Contracts	2,872,900	11,731,645	-	14,604,545
Treasury securities	-	171,406,398	-	171,406,398
<b>Derivatives</b>				
Contracts for Differences – Long Contracts	-	38,460,541	-	38,460,541
Contracts for Differences – Short Contracts	-	15,962,072	-	15,962,072
Credit Default Swaps – Protection Sold	-	-	100,224	100,224
Foreign Currency Forward Contracts	-	922,432	-	922,432
Index Futures – Short Contracts	-	9,565,778	-	9,565,778
Total Return Swaps – Long Contracts	-	381,258	-	381,258
Total Return Swaps – Short Contracts	-	21,496,345	-	21,496,345
Commodity Futures – Short Contracts	173,270	-	-	173,270
<b>Total Securities Sold, not yet Purchased and Derivative Contracts</b>	<b>1,463,646,404</b>	<b>277,598,647</b>	<b>100,224</b>	<b>1,741,345,275</b>

(1) Derivative Contracts are shown gross of any offsetting permitted under U.S. GAAP.

The following table is a summary of transactions relating to assets and liabilities the Partnership held during the period ended June 30, 2021 at fair value using significant unobservable inputs (Level 3):

### Fair Value Measurements using Significant Unobservable Inputs (Level 3)

	Transfers into Level 3 \$	Transfers out of Level 3 \$	Purchases \$
<b>Assets</b>			
Asset-Backed Securities	40,563,843	(25,168,443)	393,325,159
Bank Debt	-	-	27,090,035
Corporate Bonds	-	-	10,996,411
Private Common Equity Securities	-	-	16,831,449
Private Preferred Equity Securities	-	-	145,449,085
Real Estate	-	-	3,109,737
Rights and Warrants	-	-	3,968,885
Total Return Swaps – Long Contracts	38,423	-	-

During the period ended June 30, 2021, assets were transferred into Level 3 due to lack of observable inputs while assets were transferred out of Level 3 due to newly available observable inputs.

**2. Significant Accounting Policies (continued)**

Assets and liabilities of the Partnership fair valued using significantly unobservable inputs (Level 3) include investments fair valued by the Investment Manager, previously discussed in Note 2, but are not limited to such investments.

The following table summarizes information about the significant unobservable inputs used in determining the fair value of the Level 3 assets held by the Partnership. Level 3 investments not presented in the table below generally do not have any unobservable inputs to disclose, as they are valued primarily using dealer quotes, at cost or net asset value for investment in investment funds.

<b>Asset</b>	<b>Fair Value \$</b>	<b>Valuation Techniques</b>	<b>Unobservable Input</b>	<b>Range</b>
Private Equity Investments	52,490,221	Market Approach	Discount	6-10%
			Time to Exit	.5-12 years
			Multiple	4.75-11x
Real Estate	44,222,451	Discounted Cash Flow	Discount	8.5-9.5%
			Capitalization Rate	6.5-6.75%
Rights and Warrants	13,019,846	Market Approach	Time to Exit	.25-2yrs
			Multiple	1.65-1.95x

All of the Partnership's cash and cash equivalents were held with major U.S. financial institutions, of which a majority were held with one institution. At times, cash may be in excess of federally insured limits.

Cash equivalents are highly liquid instruments with maturities of three months or less at the time of purchase. At June 30, 2021, cash and cash equivalents in the Statement of Financial Condition consists of cash held at U.S. banks totaling \$265,082,544 and money market funds totaling \$757,493 which are invested in obligations of the U.S. Treasury. Money market funds are valued at cost, which approximates fair value and would be considered Level 1 in the fair value hierarchy.

**3. Administration Fee**

The Partnership has entered into an administrative services agreement with the Administrator. In accordance with the terms of this agreement, the Administrator provides certain specified fund accounting and administration, trade support and transfer agent services. For the period ended June 30, 2021, the Administrator received a fee of \$2,567,241.

# Notes to Unaudited Condensed Interim Financial Statements continued

Period ended June 30, 2021

## 4. Due from/to Brokers

The Partnership holds substantially all of its investments through its prime brokers (Goldman Sachs, Bank of America Merrill Lynch, JPMorgan, Citi, UBS, Barclays, Morgan Stanley and Credit Suisse) pursuant to various agreements between the Partnership and each prime broker. The brokerage arrangements differ from broker to broker, but generally cash and investments in securities balances are available as collateral against securities sold, not yet purchased and derivative positions, if required. As of June 30, 2021, the Partnership's due from/to brokers were presented gross on the Statements of Financial Condition and were comprised of the following:

	As of June 30, 2021	As of December 31, 2020
	\$	\$
<b>Due from brokers</b>		
Cash/collateral held at brokers	576,514,898	474,201,129
Receivable from unsettled trades	125,148,508	19,309,876
<b>Total</b>	<b>701,663,406</b>	<b>493,511,005</b>
<b>Due to brokers</b>	<b>\$</b>	<b>\$</b>
Borrowing/ collateral received from prime brokers	1,637,217,745	1,869,124,489
Payable from unsettled trades	296,594,564	261,567,256
<b>Total</b>	<b>1,933,812,309</b>	<b>2,130,691,745</b>

Margin debt balances were collateralized by cash held by the broker and certain of the Partnership's securities. Margin interest is paid based on the daily broker call rate or other rates as stipulated in the agreements between the Partnership and its brokers.

Due from/to brokers include cash balances maintained with the Partnership's prime brokers, receivables and payables from unsettled trades and proceeds from securities sold, not yet purchased. In addition, due from/to brokers includes cash collateral received and posted from OTC and repurchase agreement counterparties. Such cash collateral amounts may be restricted to Use. At June 30, 2021, the Partnership's due from/to brokers includes a total non-U.S. currency net payable balance of \$158,042,358.

## 5. Allocation of Net Income or Net Loss

In accordance with the provisions of the Agreement, net income or net loss of the Partnership is allocated to the general capital account of the Feeder and General Partner in proportion to their respective general capital accounts.

Net income or net loss is allocated each fiscal period, as defined in the Agreement, or at other times during the fiscal year when capital contributions and withdrawals are made by the Feeder or General Partner. The Feeder's percentage ownership of the Partnership will increase when the General Partner withdraws capital or decrease when the General Partner contributes additional capital. Therefore, the allocation of net income and net loss may vary, between the Feeder and the General Partner, based upon the timing of capital transactions throughout the period.

The Partnership may invest, directly or indirectly, in equity securities in initial public offerings deemed "new issues" under Rule 5130 of the Financial Industry Regulatory Authority ("FINRA") Consolidated Rulebook. "New issues" are defined as any initial public offering of an equity, regardless of whether such security is trading at a premium in the secondary market. FINRA members generally may not sell "new issues" to an account, in which certain persons or entities designated as restricted persons have beneficial interest. Gains and losses from "new issues" are allocated primarily to those investors in the Feeder who are deemed to be unrestricted by the General Partner and up to 10% can be allocated to the General Partner, based on pro-rata owners share percentages.

### 5. Allocation of Net Income or Net Loss (continued)

The General Partner receives an incentive allocation equal to 20% of the net profit allocated to each shareholder invested in each series of Class A, B, C, D, E, F, H, N, O, P and Q shares of the Feeder as defined in the Agreement (the "Full Incentive Allocation"). If a shareholder invested in the Feeder has a net loss during any fiscal year and, during subsequent years, there is a net profit attributable to such shareholder, the shareholder must recover an amount equal to 2.5 times the amount of the net loss chargeable in the prior years before the General Partner is entitled to the Full Incentive Allocation. Until this occurs, the shareholder invested in the Feeder will be subject to a reduced incentive allocation equal to half of the Full Incentive Allocation. The General Partner, in its sole discretion, may elect to reduce, waive or calculate differently the Full Incentive Allocation of the Feeder and its underlying investors that are partners, members, employees, affiliates or other related investors of the Investment Manager or the General Partner. For the period from January 1, 2021 through June 30, 2021, the General Partner received an incentive allocation of \$261,183,330. This amount has provisionally been allocated to the General Partner, however, the amount will not be fully realized until the end of the fiscal year or upon the withdrawal of a shareholder from the Feeder, and is subject to change.

### 6. Related Party Transactions

Pursuant to the investment management agreement, the Partnership pays the Investment Manager a management fee equal to 1.5% per annum of the net asset value of the Class N, O, P and Q shares of the Feeder, 2% per annum of the net asset value of the Class A, B, C, D, E, F and H shares of the Feeder, and 2.5% per annum of the net asset value of the Class J shares of the Feeder as of the beginning of each month before the accrual of any incentive fee. The Investment Manager, in its sole discretion, may elect to reduce, waive, or calculate differently the management fee with respect to partners, members, employees, affiliates or other related investors of the Investment Manager of the General Partner. The Investment Manager has granted a management fee discount of 0.25% to certain investors based on either the size or duration of their investment in the Partnership. For the period ended June 30, 2021, the management fee was \$58,765,739 of which \$42,281 was payable at June 30, 2021.

As set forth in the Agreement, certain fees including closing, directors', or break-up fees paid to the Investment Manager or its affiliates as a result of the Partnership's investments will be treated as an offset against the Partnership's management fee. For the period ended June 30, 2021, no directors' fees were treated as an offset against the management fee.

As of June 30, 2021, the Partnership did not have an outstanding balance due to the Investment Manager. In accordance with the Agreement, professional fees paid by the Investment Manager on behalf of the Partnership would be included in accrued expenses in the Statements of Financial Condition. For the period ended June 30, 2021, the Investment Manager did not pay any expenses on behalf of the Partnership.

The Partnership has entered into a limited partnership agreement, as a limited partner, with TP Lux Holdco LP ("Cayman HoldCo"), an affiliate of the Investment Manager. Cayman HoldCo was organized as a limited partnership under the laws of the Cayman Islands and will invest and hold debt and equity interests in TP Lux HoldCo S.a.r.l, a Luxembourg private limited liability company ("LuxCo"), also an affiliate of the Investment Manager. LuxCo was established under the laws of the Grand-Duchy of Luxembourg and its principle objective is to act as a collective investment vehicle through which purchases of certain European debt and equity investments will be pooled. Certain debt and equity instruments will be purchased by LuxCo and will be financed through the issuance of the debt and equity instruments purchased by Cayman HoldCo. At June 30, 2021, the fair value of the investment in Cayman Holdco was \$23,262,077. The Partnership made contributions of \$22,165,379 to Cayman Holdco during the period ended June 30, 2021. The Partnership's pro rata interest in the investments of LuxCo and the related income and expense are reflected accordingly on the accompanying Statements

# Notes to Unaudited Condensed Interim Financial Statements continued

Period ended June 30, 2021

## 6. Related Party Transactions (continued)

of Financial Condition and the Statements of Operations. The valuation policy with respect to these investments is the same as the Partnership's valuation policy as described in Note 2. The Partnership invests in Cayman HoldCo alongside other affiliated entities.

The Partnership holds an equity interest in TP Trading II LLC which is an affiliate of the Investment Manager. The Partnership invests in TP Trading II LLC alongside other investment funds managed by the Investment Manager. TP Trading II LLC holds equity investments of \$184.5 million which are included in investments in securities, at fair value, in the Statements of Financial Condition. The Partnership's pro rata interest in the underlying investments are registered in the name of TP Trading II LLC and the related income and expenses are reflected in the Statements of Operations. The valuation policy with respect to this investment is further described in Note 2.

At June 30, 2021, the Partnership held seven affiliated special purpose vehicles (the "SPVs"), including TP Trading II LLC and Cloudbreak Aggregator LP discussed above, which are companies organized for the purpose of achieving certain tax, regulatory or administrative efficiencies. The Partnership's pro rata interest in the underlying assets and liabilities of the SPVs and the related income and expense are reflected accordingly on the accompanying Statements of Financial Condition, and the Statements of Operations. As of June 30, 2021, the total fair value of the SPVs was \$259,772,273. The valuation policy with respect to investments held by the SPVs is the same as the Partnership's valuation policy as described in Note 2. The Partnership invests in the SPVs alongside other affiliated entities.

Third Point Loan LLC ("Loan LLC") and Third Point Ventures LLC ("Ventures LLC"), (collectively the "Nominees"), serve as nominees of the Partnership and other affiliated investment management clients of the Investment Manager for certain investments. The Nominees have appointed the Investment Manager as their true and lawful agent and attorney. At June 30, 2021, Loan LLC held \$356,407,905 and Ventures LLC held \$1,770,157,702 of the Partnership's investments which are included in investments in securities in the Statements of Financial Condition. The Partnership's pro rata interest in the underlying investments registered in the name of the Nominees and the related income and expense are reflected accordingly in the accompanying Statements of Financial Condition, and the Statements of Operations. The valuation policy with respect to investments held by the Nominees is the same as the Partnership's valuation policy as described in Note 2.

At June 30, 2021, the Partnership did not hold any shares of Third Point Investors Limited ("ListCo"), a London Stock Exchange listed entity that is managed by the Investment Manager. As part of ListCo's share buy-back program, the Partnership has the ability to purchase shares in the after-market or as part of other corporate actions. During the period ended June 30, 2021 the partnership realized losses of \$1,520,592 related to the share buy-back program.

The Partnership is a limited partner in Third Point Hellenic Recovery U.S. Feeder Fund, L.P. (the "Hellenic Fund"), which is an affiliate of the Investment Manager. The Hellenic Fund was formed as a limited partnership under the laws of the Cayman Islands and invests in and holds debt and equity interests in Greek and Cypriot companies. The Partnership's interest in the Hellenic Fund is highly illiquid due to the nature of underlying investments. The Partnership committed \$78,309,111 to the Hellenic Fund, of which \$14,961,821 was distributed during the period ended June 30, 2021. The distributions received by the Partnership during the period ended June 30, 2021 were treated as a return of capital and included in net change in unrealized gain on affiliated investment funds and foreign currency translations in the Statements of Operations. As of June 30, 2021, the Partnership's remaining unfunded commitment to the Hellenic Fund was \$23,178,627. As of June 30, 2021, the estimated fair value of the investment in the Hellenic Fund was \$23,167,137. The valuation policy with respect to this investment in a limited partnership is further described in Note 2. No separate fees are charged by the Hellenic Fund with respect to the partnership's investment.

## 6. Related Party Transactions (continued)

The Investment Manager, on behalf of the Partnership and other funds that it manages, has entered into an agreement with TCM CRE Special Situations, LLC ("TSO") in connection with TSO's management of real property, which the Partnership owns as a result of foreclosures on underlying debts held in the Partnership's ABS portfolio in the ordinary course of business. Pursuant to the agreement with TSO, the Partnership paid \$37,279 to TSO during the period ended June 30, 2021. Upon the eventual disposition of the real property, the Partnership may be obligated to pay up to an additional \$818,168, provided that certain return hurdles on the real property are met. The real properties are held in SPVs as described above. The sole owner of TSO is also the indirect partial owner of Trawler Capital Management LLC ("TCM"), an SEC-registered investment adviser specializing in commercial real estate debt investments. While the beneficial owner of the Investment Manager has an ownership stake in TCM, it does not have any interests in TSO.

## 7. Financial Instruments with Off-Balance Sheet Risk or Concentrations of Credit Risk

In the normal course of its business, the Partnership trades various financial instruments and engages in various investment activities with off-balance sheet risk. These financial instruments include securities sold, not yet purchased, forwards, futures, options, swaptions, swaps and contracts for differences. Generally, these financial instruments represent future commitments to purchase or sell other financial instruments at specific terms at specified future dates. Each of these financial instruments contains varying degrees of off-balance sheet risk whereby changes in the fair values of the securities underlying the financial instruments or fluctuations in interest rates and index values may exceed the amounts recognized in the Statements of Financial Condition.

Securities sold, not yet purchased are recorded as liabilities in the Statements of Financial Condition and have market risk to the extent that the Partnership, in satisfying its obligations, may have to purchase securities at a higher value than that recorded in the Statements of Financial Condition. The Partnership's investments in securities and amounts due from brokers are partially restricted until the Partnership satisfies the obligation to deliver securities sold, not yet purchased.

Forward and future contracts are a commitment to purchase or sell financial instruments, currencies or commodities at a future date at a negotiated rate. Forward and future contracts expose the Partnership to market risks to the extent that adverse changes occur to the underlying financial instruments such as currency rates or equity index fluctuations.

Option contracts give the purchaser the right but not the obligation to purchase or sell to the option writer financial instruments, commodities or currencies within a defined time period for a specified price. The premium received by the Partnership upon writing an option contract is recorded as a liability, marked to market on a daily basis and is included in securities sold, not yet purchased in the Statements of Financial Condition. In writing an option, the Partnership bears the market risk of an unfavorable change in the financial instrument underlying the written option. Exercise of an option written by the Partnership could result in the Partnership selling or buying a financial instrument at a price different from the current fair value.

In the normal course of trading activities, the Partnership trades and holds certain fair value derivative contracts, such as written options, which constitute guarantees. The maximum payout for written put options is limited to the number of contracts written and the related strike prices and the maximum payout for written call options is contingent upon the market price of the underlying security at the date of a payout event. At June 30, 2021, the portfolio had a maximum payout amount of \$319,845,400 relating to written put equity option contracts with expiration ranging from 1 month to 7 months from the Statements of Financial Condition date. The maximum payout amount could be offset by the subsequent sale, if any, of assets obtained via the settlement of a payout event. The fair value of the written put

# Notes to Unaudited Condensed Interim Financial Statements continued

Period ended June 30, 2021

## 7. Financial Instruments with Off-Balance Sheet Risk or Concentrations of Credit Risk (continued)

equity options as of June 30, 2021 is \$2,539,334 and is included in securities sold, not yet purchased in the Statements of Financial Condition. Refer to Note 8 for additional disclosures regarding the Partnership's collateral policy.

Swaption contracts give the Partnership the right, but not the obligation, to enter into a specified interest-rate swap within a specified period of time. The Partnership's market and counterparty credit risk is limited to the premium paid to enter into the swaption contract and fair value.

Total return swaps and total return basket swaps, contracts for differences, index swaps, and interest rate swaps involve the exchange of cash flows between the Partnership and counterparties based on the change in market value of a particular equity, index, or interest rate on a specified notional holding. The use of these contracts exposes the Partnership to market risks equivalent to actually holding securities of the notional value but typically involve little capital commitment relative to the exposure achieved. The gains or losses of the Partnership may therefore be magnified on the capital commitment.

Credit default swaps protect the buyer against the loss of principal on one or more underlying bonds, loans, or mortgages in the event the issuer suffers a credit event. Typical credit events include failure to pay or restructuring of obligations, bankruptcy, dissolution or insolvency of the underlying issuer. The buyer of the protection pays an initial and/or a periodic premium to the seller and receives protection for the period of the contract. If there is no credit event, as defined in the contract, the buyer receives no payments from the seller. If there is a credit event, the buyer receives a payment from the seller of protection as calculated by the contract between the two parties.

The Partnership may also enter into index and/or basket credit default swaps where the credit derivative may reference a basket of single-name credit default swaps or a broad-based index. Generally, in the event of a default on one of the underlying names, the buyer will receive a pro-rata portion of the total notional amount of the credit default index or basket contract from the seller. When the Partnership purchases single-name, index and basket credit default swaps, the Partnership is exposed to counterparty nonperformance.

Upon selling credit default swap protection, the Partnership may expose itself to the risk of loss from related credit events specified in the contract. Credit spreads of the underlying together with the period of expiration is indicative of the likelihood of a credit event under the credit default swap contract and the Partnership's risk of loss. Higher credit spreads and shorter expiration dates are indicative of a higher likelihood of a credit event resulting in the Partnership's payment to the buyer of protection. Lower credit spreads and longer expiration dates would indicate the opposite and lowers the likelihood the Partnership needs to pay the buyer of protection. At June 30, 2021, there was no cash collateral received specifically related to written credit default swaps as collateral is based on the net exposure associated with all derivative instruments subject to applicable netting agreements with counterparties and may not be specific to any individual derivative contract. The following table sets forth certain information related to the Partnership's written credit derivatives as of June 30, 2021:

	Maximum Payout/ Notional Amount (by period of expiration)			Fair Value of Written Credit Derivatives <sup>(2)</sup>		
	0-5 years \$	5 years or Greater Expiring Through 2047 \$	Total Written Credit Default Swaps <sup>(1)</sup> \$	Asset \$	Liability \$	Net Asset/ (Liability) \$
<b>Credit Spreads on underlying (basis points)</b>						
Single name (0-250)	-	456,803	456,803	-	100,224	(100,224)

(1) As of June 30, 2021, the Company did not hold any offsetting buy protection credit derivatives with the same underlying reference obligation.

(2) Fair value amounts of derivative contracts are shown on a gross basis prior to cash collateral or counterparty netting.

### **7. Financial Instruments with Off-Balance Sheet Risk or Concentrations of Credit Risk (continued)**

In addition to off-balance sheet risks related to specific financial instruments, the Partnership may be subject to concentration of credit risk with particular counterparties. Substantially all securities transactions of the Partnership are cleared by several major securities firms. The Partnership had substantially all such individual counterparty concentration with these brokers or their affiliates as of June 30, 2021. However, the Partnership reduces its credit risk with counterparties by entering into master netting agreements.

The Partnership's maximum exposure to credit risk associated with counterparty nonperformance on derivative contracts is limited to the market value by counterparty inherent in such contracts which are recognized in the Statements of Financial Condition. At June 30, 2021, the Partnership's maximum counterparty credit risk exposure was \$65,640,988, in addition to any excess collateral posted to such counterparties, which is recognized in the statements of Financial condition.

### **8. Derivative Contracts**

The Partnership enters into derivative contracts to manage credit risk, interest rate risk, currency exchange risk, and other exposure risks. The Partnership uses derivatives in connection with its risk-management activities to hedge certain risks and to gain exposure to certain investments. The utilization of derivative contracts also allows for an efficient means in which to trade certain asset classes. The derivatives that the Partnership invests in are primarily swaps, forwards, futures, options, swaptions and contracts for differences. Typically, derivatives serve as a component of the Partnership's investment strategy and are utilized primarily to structure the portfolio, or individual investments, to economically match the investment objective of the Partnership. Fair values of derivatives are determined by using quoted market prices and counterparty quotes when available; otherwise fair values are based on pricing models that consider the time value of money, volatility, and the current market and contractual prices of underlying financial instruments.

# Notes to Unaudited Condensed Interim Financial Statements continued

Period ended June 30, 2021

## 8. Derivative Contracts (continued)

The following table identifies the volume and fair value amounts of derivative instruments included in derivative contracts on the Statements of Financial Condition, categorized by primary underlying risk, as of June 30, 2021. Balances are presented on a gross basis, prior to the application of the impact of counterparty netting.

	Listing currency <sup>(1)</sup>	Fair Value <sup>(2)</sup> \$	Notional Amounts <sup>(3)</sup> \$
<b>Derivative Assets by Primary Underlying Risk</b>			
<b>Commodity Price</b>			
Commodity Futures – Long Contracts	USD	11,068,669	141,950,114
Options Contracts – Purchased	USD	2,158,012	67,932,559
<b>Credit</b>			
Credit Default Swaps – Protection Purchased	USD	529,242	4,795,507
<b>Equity Price</b>			
Contracts for Differences – Long Contracts	CHF/EUR/GBP/USD	27,508,784	567,328,705
Contracts for Differences – Short Contracts	EUR/JPY/SEK/BRL/USD	632,921	32,329,222
Total Return Swaps – Long Contracts	USD	38,715	46,993,968
Total Return Swaps – Short Contracts	GBP/HKD/JPY/USD	16,260,516	297,894,313
Options Contracts – Purchased	USD	41,971,057	723,664,400
Rights and Warrants	USD	34,742,423	34,742,423
<b>Foreign Currency Exchange Rates</b>			
Foreign Currency Forward Contracts	EUR	561,926	55,943,301
<b>Index</b>			
Index Futures – Short Contracts	EUR	659,708	99,517,650
<b>Interest rates</b>			
Interest Rate Swaptions	USD	50,012,988	715,144,134
<b>Total Derivative Assets</b>		<b>186,144,961</b>	<b>2,788,236,296</b>
<b>Derivative Liabilities by Primary Underlying Risk</b>			
<b>Commodity Price</b>			
Commodities Futures – Short Contracts	EUR	173,270	18,212,417
Options Contracts – Purchased	USD	42,040	357,340,000
<b>Credit</b>			
Credit Default Swaps – Protection Sold	USD	100,224	456,803
<b>Equity Price</b>			
Contracts for Differences – Long Contracts	CHF/EUR/GBP/USD	38,460,541	601,627,064
Contracts for Differences – Short Contracts	CHF/EUR/GBP/SEK/USD	15,962,072	262,194,657
Total Return Swaps – Long Contracts	USD	381,258	60,633,818
Total Return Swaps – Short Contracts	AUD/HKD/JPY/USD	21,496,345	335,424,510
Options Contracts – Sold	USD	13,642,705	464,717,050
<b>Foreign Currency Exchange Rates</b>			
Foreign Currency Forward Contracts	CNH	922,432	68,520,951
<b>Index</b>			
Index Futures – Short Contracts	USD	9,565,778	708,464,570
Options Contracts – Sold	USD	919,800	179,200,000
<b>Total Derivative Liabilities</b>		<b>101,666,465</b>	<b>3,056,791,840</b>

(1) AUD= Australian Dollar, BRL = Brazilian Real, CHF = Swiss Franc, CNH = Chinese Yuan, EUR = Euro, GBP = British Pound, HKD = Hong Kong Dollar, JPY = Japanese Yen, SAR = Saudi Arabian Riyal, SEK = Swedish Krone, USD = US Dollar

(2) The Fair Value presented above includes the fair value of Derivative Contracts as well as option contract assets of \$44.1 million and rights and warrants of \$34.7 million included in Investments in Securities, at fair value in the Statement of Financial Condition and option contract liabilities of \$14.6 million included in Securities sold, not yet purchased, at fair value in the Statement of Financial Condition.

(3) The absolute notional exposure represents the Partnership's derivative activity as of June 30, 2021, which is representative of the volume of derivatives held during the period.

**8. Derivative Contracts (continued)**

The following table sets forth by major risk type the Partnership realized and unrealized gains/(losses) related to trading activities for the period ended June 30, 2021. These realized and unrealized gains/(losses) are included in the net realized and net change in unrealized gain/loss from securities, affiliated investment funds, derivative contracts and foreign currency translations on the Statements of Operations.

	Realized Gain/ (Loss) \$	Net Change in Unrealized Gain/(Loss) \$
<b>Primary Underlying Risk</b>		
<b>Commodity Price</b>		
Commodity Futures – Long Contracts	(5,386,819)	15,327,109
Commodity Futures – Short Contracts	(298)	(173,270)
Commodity Options – Long Contracts	(4,645,620)	4,432,960
Option contracts – Purchased	434,808	514,861
Option contracts – Sold	(17,867)	(42,040)
<b>Credit</b>		
Credit Default Swaps – Protection Purchased	(396,488)	99,570
Credit Default Swaps – Protection Sold	91,403	(90,428)
<b>Equity Price</b>		
Contracts for Differences – Long Contracts	171,857,783	(101,099,418)
Contracts for Differences – Short Contracts	(40,943,087)	(4,759,206)
Total Return Swaps – Long Contracts	37,333,734	2,430,745
Total Return Swaps – Short Contracts	(153,603,397)	30,711,571
Option contracts – Purchased	42,855,651	(35,683,571)
Option contracts – Sold	7,583,283	11,265,067
Rights and Warrants	3,165,899	(3,978,137)
<b>Index</b>		
Index Futures – Short Contracts	(91,645,161)	3,159,032
Option contracts – Purchased	(75,008,114)	17,943,182
Option contracts – Sold	5,909,599	(6,740,228)
<b>Interest Rates</b>		
Interest Rate Swaptions	1,421,621	12,879,211
<b>Foreign Currency Exchange Rates</b>		
Foreign Currency Forward Contracts	(1,584,179)	2,555,166
<b>Total</b>	<b>(102,577,249)</b>	<b>(51,247,824)</b>

The Partnership's derivative contracts are generally subject to the International Swaps and Derivatives Association ("ISDA") Master Agreements or other similar agreements which contain provisions setting forth events of default and/or termination events ("credit-risk-related contingent features"), including but not limited to provisions setting forth maximum permissible declines in the Partnership's net asset value.

# Notes to Unaudited Condensed Interim Financial Statements continued

Period ended June 30, 2021

## 8. Derivative Contracts (continued)

Upon the occurrence of a termination event with respect to an ISDA Agreement, the Partnership's counterparty could elect to terminate the derivative contracts governed by such agreement, resulting in the realization of any net gains or losses with respect to such derivative contracts and the return of collateral held by such party. During the period ended June 30, 2021, no termination events were triggered under the ISDA Master Agreements. As of June 30, 2021, the aggregate fair value of all derivative instruments with credit-risk-related contingent features that are in a net liability position is \$19,336,817 for which the Partnership has posted \$386,173,398 collateral in the normal course of business. Similarly the Partnership obtains/provides collateral from/to various counterparties for OTC derivative contracts in accordance with bilateral collateral agreements. If the credit-risk-related contingent features underlying these instruments had been triggered as of June 30, 2021 and the Partnership had to settle these instruments immediately, no additional amounts would be required to be posted by the Partnership since the aggregate fair value of the required collateral posted exceeded the settlement amounts of open derivative contracts or in the case of cross margining relationships, the assets in the Partnership's prime brokerage accounts are sufficient to offset derivative liabilities.

The Partnership's derivatives do not qualify as hedges for financial reporting purposes and are recorded in the Statements of Financial Condition on a gross basis and not offset against any collateral pledged or received. Pursuant to the ISDA master agreements, securities lending agreements, repurchase agreements and other counterparty agreements, the Partnership and its counterparties typically have the ability to net certain payments owed to each other in specified circumstances. In addition, in the event a party to one of the ISDA master agreements, securities lending agreements, repurchase agreements or other derivatives agreements defaults, or a transaction is otherwise subject to termination, the non-defaulting party generally has the right to set off against payments owed to the defaulting party or collateral held by the non-defaulting party.

The Partnership has elected not to offset derivative assets against liabilities subject to master netting agreements nor does it offset collateral amounts received or pledged against the fair values of the related derivative instruments. Accordingly, the Partnership presents all derivative and collateral amounts in the Statements of Financial Condition on a gross basis. As of June 30, 2021, the gross and net amounts of derivative instruments and the cash collateral applicable to derivative instruments were as follows:

Financial Assets, Derivative Assets and Collateral received by Counterparty:

<b>Derivative Contracts</b>	<b>Gross Amounts of Assets Presented in the Statement of Financial Condition<sup>(1)</sup> \$</b>	<b>Financial Instruments \$</b>	<b>Cash Collateral Received \$</b>	<b>Net Amount \$</b>
Counterparty 1	1,020,153	1,020,153	-	-
Counterparty 2	27,186,077	12,443,763	-	14,742,314
Counterparty 3	48,028,818	41,908,454	-	6,120,364
Counterparty 4	9,385,429	3,496,206	-	5,889,223
Counterparty 5	49,818,619	11,207,520	-	38,611,099
Counterparty 6	109,139	-	-	109,139
Counterparty 8	5,790,161	5,790,161	-	-
Counterparty 9	2,002,954	2,002,954	-	-
Counterparty 11	168,849	-	-	168,849
<b>Total</b>	<b>143,510,199</b>	<b>77,869,211</b>	<b>-</b>	<b>65,640,988</b>

**8. Derivative Contracts (continued)**

Financial Liabilities, Derivative Liabilities and Collateral pledged by Counterparty:

Derivative Contracts	Gross Amounts of Liabilities Presented in the Statement of Financial Condition <sup>(2)</sup> \$	Financial Instruments \$	Cash Collateral Pledged \$	Net Amount \$
Counterparty 1	1,195,384	1,020,153	175,231	-
Counterparty 2	12,443,763	12,443,763	-	-
Counterparty 3	41,908,454	41,908,454	-	-
Counterparty 4	3,496,206	3,496,206	-	-
Counterparty 5	11,207,520	11,207,520	-	-
Counterparty 8	23,765,374	5,790,161	-	17,975,213
Counterparty 9	3,189,327	2,002,954	1,186,373	-
<b>Total</b>	<b>97,206,028</b>	<b>77,869,211</b>	<b>1,361,604</b>	<b>17,975,213</b>
<b>Repurchase Agreements/Loaned Securities</b>				
Counterparty 4	65,272,399	65,272,399	-	-
<b>Total</b>	<b>65,272,399</b>	<b>65,272,399</b>	<b>-</b>	<b>-</b>

(1) The Gross Amounts of Assets Presented in the Statement of Financial Condition presented above includes the fair value of Derivative Contract assets as well as gross OTC option contract assets of \$36.24 million included in Investments in Securities, at fair value in the Statement of Financial Condition.

(2) The Gross Amounts of Liabilities Presented in the Statement of Financial Condition presented above includes the fair value of Derivative Contract liabilities as well as gross OTC option contract liabilities of \$10.14 million included in Securities Sold, not yet Purchased in the Statement of Financial Condition.

**9. Indemnifications**

In the normal course of business, the Partnership enters into contracts that contain a variety of indemnifications and warranties. The Partnership's maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against the Partnership that have not yet occurred. However, the Partnership has not had prior claims or losses pursuant to these contracts and expects the risk of loss to be remote. Thus, no amounts have been accrued related to such indemnifications. The Partnership also indemnifies the General Partner, the Investment Manager and employees from and against any loss or expense, including, without limitation any judgment, settlement, legal fees and other costs. Any expenses related to this indemnification would be reflected in administrative and professional fees in the Statements of Operations. The Partnership did not incur any expenses related to indemnifications for the period ended June 30, 2021.

**10. Commitments**

Certain of the Partnership's investments may include financing commitments obligating the Partnership to advance additional amounts on demand. At June 30, 2021, the Partnership had unfunded capital commitments of \$258.3 million, including \$23,178,627 related to the Hellenic Fund (See Note 6).

# Notes to Unaudited Condensed Interim Financial Statements continued

Period ended June 30, 2021

## 11. Financial Highlights

The following represents the ratios to average Feeder capital and total return information for the period ended June 30, 2021:

<b>Ratios to average Feeder capital:</b>	
Total expenses	1.35%
Incentive allocation	3.48%
<b>Total expenses and incentive allocation</b>	<b>4.83%</b>
<b>Net investment loss</b>	<b>(0.34%)</b>

The ratios above are calculated for the Feeder taken as a whole. The computation of such ratios based on the amount of expenses, incentive allocation, and net investment income assessed to each shareholder's investment in the Feeder may vary from these ratios. The net investment income ratio does not reflect the effect of any incentive allocation.

Total return before incentive allocation	18.92%
Incentive allocation	(3.74%)
<b>Total return after incentive allocation</b>	<b>15.18%</b>

Total return is calculated for the Feeder's investment in the Partnership taken as a whole. Each shareholder's return on their investment in the Feeder may vary from these returns.

## 12. Subsequent Events

Subsequent to June 30, 2021, the Partnership received approximately \$190.5 million in capital contributions, and recorded capital withdrawal requests of approximately \$202.4 million for the quarter ended September 30, 2021. Subsequent to June 30, 2021 revisions to the Partnership's offering documents provide for the establishment of share classes Y and Z. These revisions also include a change to the calculation methodology for an investor's Loss Recovery Account from a "modified" high watermark methodology to a "traditional" high watermark methodology. Subsequent events were evaluated by the Partnership's management until September 1, 2021, which is the date the financial statements were available to be issued.

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