

WE LEND TO COMPANIES THAT BUILD AND OPERATE THE INFRASTRUCTURE USED TO GENERATE, TRANSPORT, STORE AND DISTRIBUTE BOTH RENEWABLE AND CONVENTIONAL SOURCES OF ENERGY, AND COMPANIES THAT PROVIDE SERVICES TO THAT INFRASTRUCTURE.

We also lend to companies seeking to facilitate energy transition by decarbonising the energy, industrial and agricultural sectors, building sustainable infrastructure and reducing or sequestering carbon emissions.

We seek to ensure that our investments are having a positive impact on climate change by structuring each deal as either a Green Loan or a Sustainability-Linked Loan, documented using industry best practices.

Company number: 11874946



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RIVERSTONE CREDIT OPPORTUNITIES INCOME PLC

Riverstone Credit Opportunities Income Plc is an externally managed closed-ended investment company listed on the Main Market of the London Stock Exchange.

The Company's Ordinary Shares were admitted to the Specialist Fund Segment of the London Stock Exchange plc's Main Market and incorporated and registered on 11 March 2019 in England and Wales with an unlimited life.

INVESTMENT MANAGER

The Company's Investment Manager is Riverstone Investment Group LLC, which is controlled by affiliates of Riverstone Holdings LLC ("Riverstone").

On 31 December 2023, Riverstone entered into a sub-management agreement with Breakwall Capital LP ("Breakwall" or "Sub-Manager") for all the credit vehicles managed by Riverstone.

Riverstone was founded in 2000 and is currently one of the world's largest and most experienced investment firms focused on energy, power, infrastructure and decarbonisation. The Firm has raised approximately \$45 billion of capital and committed approximately \$45 billion to 200+ investments in North America, South America, Europe, Africa, Asia and Australia. Headquartered in New York, Riverstone has built a global platform with additional offices located in Menlo Park, Houston, London, Amsterdam and Mexico City. Since its founding, the Firm has grown its presence significantly and currently employs over 76 professionals worldwide.

The registered office of the Company is 5th Floor, 20 Fenchurch Street, London, England, EC3M 3BY.

INVESTMENT OBJECTIVE

The Company seeks to generate consistent Shareholder returns predominantly in the form of income distributions, principally by making senior secured loans to energy companies.

The Company lends to companies working to drive change and deliver solutions across the energy sector, spanning renewable as well as conventional sources, with a primary focus on infrastructure assets. The Company's aim is to build a portfolio that generates an attractive and consistent risk-adjusted return for investors, as well as drive positive action with regard to climate change by structuring loans as Green Loans or Sustainability-Linked Loans

KEY FINANCIALS

NAV
as at 31 December 2023

\$96.02m

(as at 31 December 2022: \$98.48m)

MARKET CAPITALISATION
as at 31 December 2023

\$78.77m

(as at 31 December 2022: \$83.54m)

TOTAL COMPREHENSIVE INCOME
for year ended 31 December 2023

\$5.72m

(as at 31 December 2022: \$12.85m)

NAV PER SHARE
as at 31 December 2023

\$1.06

(as at 31 December 2022: \$1.08)

SHARE PRICE
at 31 December 2023

\$0.87

(at 31 December 2022: \$0.92)

DISTRIBUTION PER SHARE
with respect to the year ended
31 December 2023

8.5 cents

(with respect to the year ended
31 December 2022: 9.00 cents)



HIGHLIGHTS

NAV PER SHARE
as at 31 December 2023

\$1.06

(as at 31 December 2022: \$1.08)

INVESTMENTS
in the year ended 31 December 2023

1

There was one new investment, and two full realisations executed in the year ended 31 December 2023. The new investment and one of the realisations during the year related to the refinancing of Streamline Innovations, with the other realisation being of Clean Energy Fuels Corp ("Clean Energy Fuels" or "CLNE").

DISTRIBUTION PER SHARE
with respect to the year ended
31 December 2023

8.5 cents

(with respect to the year ended
31 December 2022: 9.00 cents)

CHAIRMAN'S STATEMENT



OVERVIEW

On behalf of the Board, I would like to thank our shareholders for their ongoing support as we continue to pursue our strategy of generating income and optimising shareholder value through investing in a high quality portfolio of loans that help to support the global energy transition.

We are pleased with the financial performance of the Company and the beneficial impact its loans are having on the journey towards greater environmental sustainability in global infrastructure. During the second half of 2023, the Company continued its strong performance from the first half of the year, posting consistently robust earnings for the period, and remains well positioned in the current environment. The Company has delivered a NAV total return of 40.1% to investors since inception in May 2019 and 31.57 cents of income.

The Company has a unique focus on short duration lending, which benefits from the current interest rate environment, and the re-balancing of the portfolio to energy-transition focused investments is now complete. As of 31 December 2023, all of the loans in the portfolio and over 95% of the Company's SPVs' underlying investments were either Green Loans or Sustainability-Linked Loans. Therefore, all loans in the Company's portfolio are supporting the advancement of decarbonisation or enhancing sustainability across the broader energy complex. A good example of this is the Company's loan to Clean Energy Fuels in December 2022 which was realised in December 2023. Clean Energy Fuels growth strategy includes the development of negative carbon intensity renewable

natural gas ("RNG") projects and construction of new RNG fueling stations for the North American transportation sector. Clean is involved in the rapid expansion of RNG projects at dairies, which capture fugitive methane and turn it into a fuel made entirely from organic waste and reduces carbon emissions exponentially versus diesel.

The Investment Manager's strategy of making senior-secured asset-based loans has certainly paid off in terms of generating attractive results for shareholders – but it has also left the Company underinvested at times, just as interest rates began to rise. A concerted effort was made to alleviate this issue, while remaining faithful to the Company's strategy, as well as preserving portfolio diversification and counterparty quality. As an example, secondary purchases of the Hoover Circular Solutions loan and Seawolf Water Resources ("Seawolf") loan (which included preferred and common equity) helped deploy capital into compelling investments very well known to the Investment Manager and consistent with the Company's overall strategy. Furthermore, in December 2022, the Company's SPVs entered into a \$15 million Revolving Credit Facility ("RCF") which enables the Company to remain over 100% invested while still retaining the necessary liquidity to meet ongoing expenses and future obligations under delay-draw loan commitments. These investments serve to support earnings capacity for the overall portfolio, while maintaining the potential to grow distributions over time.

KEY DEVELOPMENTS

RCOI's NAV has remained stable during 2023, despite considerable market volatility, with a current NAV per share of \$1.06 (31 December 2022: \$1.08).

There was one realisation that occurred during the second half of 2023, Clean Energy Fuels. Clean Energy Fuels was fully realised in December 2023 with a 14.9 per cent gross IRR and a 10.8 per cent net IRR and 1.14x gross MOIC and 1.10x net MOIC respectively. This realisation further strengthens our compelling track record of attractive realisations with this investment generating another strong IRR result for our shareholders.

The Company also refinanced its investment in Streamline Innovations. The Company realised c. \$2.0 million of profits at closing of the amendment and extension resulting in a 24 percent gross IRR (19 percent net IRR) and a 1.3x gross MOIC (1.2x net MOIC) of the initial investment in Streamline Innovations.

As part of this amendment and extension closing, the facility was upsized to \$55.0 million, the maturity was extended to December 2026, and economic terms were adjusted for an estimated all-in yield to maturity of 13 percent to the Company. Additionally, as part of the amendment, the Company's allocation to the loan was reduced from \$13.8 million to \$9.9 million as the result of the investment manager's allocation policy which aims to allocate each deal based on the available capital in each fund being invested.

PERFORMANCE

The Company reported a profit of \$5.7 million for the year ending 31 December 2023 (2022: \$12.8 million), resulting from income received from the investment portfolio and changes in the portfolio's valuations. The decrease in profit for 2023 was driven primarily from the decrease in the unrealised value of multiple equity positions. Additionally, the Company and its SPVs had fewer realisations in 2023 than in 2022, which contributed to the decrease in profit. The Company is paying distributions of 8.5 cents per share to investors with respect to 2023 (2022: 9.0 cents per share), achieving our stated distributions target. The Company has now delivered NAV total returns of 40.1% to investors since inception in May 2019 (6.4% year to date return) and 31.57 cents of income.

The current unrealised portfolio has an average 1.22x Gross MOIC and 1.15x Net MOIC. RCOI's investment strategy contains characteristics that enable our portfolio of current loans to be attractive and structured to be resilient in challenging and fluctuating market conditions.

RCOI has executed 25 direct investments and participated in two secondary investments since inception and cumulatively invested \$251 million of capital since the IPO in May 2019. The Company has now realised a total of 18 investments, delivering an average gross IRR of 17.2 per cent and net IRR of 12.5 per cent.

OUTLOOK

The Board is pleased with our diversified and dynamic portfolio of investments and the current pipeline of new opportunities, which we believe have the potential to continue to deliver attractive value to shareholders. We are pleased to retain our focus on decarbonising energy infrastructure and infrastructure services that contribute a considerable positive environmental impact. We are finding that businesses at the forefront of energy transition view our first lien, short-duration, floating rate product as being highly attractive and a good fit for their development plans.

On 31 December 2023, Riverstone Holdings LLC and their affiliate Riverstone Investment Group (collectively, "Riverstone") entered into an agreement with Breakwall Capital LP to provide sub-management services (the "Sub-Management Agreement") for all credit vehicles managed by Riverstone, including RCOI (the "Existing Credit Vehicles"). Breakwall is a newly formed independent asset-management firm regulated by the SEC as a Registered Investment Advisor, owned and operated by the existing Riverstone Credit Partners team.

We are keenly aware of the persistent discount at which the shares trade, and the Board does not believe this reflects the value of the portfolio. As ever we continue to work assiduously with the manager on a number of initiatives to reduce the discount including active asset management and proactive and frequent engagement with equity market participants. We are also focused on the forthcoming realisation election in May 2024. As this election will not conclude until after the approval of these financial statements the Board concluded that there is material uncertainty over the Company's ability to continue as a going concern. The Company looks forward to engaging with shareholders to understand both their intentions to participate and their views regarding the future of the Company.

We remind investors that if the Company's Net Asset Value attributable to the remaining Ordinary Shares falls below \$50m as a result of the election, the Company will amend its investment objectives and policy to adopt a realisation strategy. As always, the Board and the manager remain vigilantly focused on optimising the portfolio to ensure long-term value creation for our shareholders. Further announcements on the upcoming realisation election will be made in due course.

We look forward to a promising 2024 and thank you again for your support.



REUBEN JEFFERY, III
Chairman
20 February 2024

STRATEGIC REPORT

The Directors present their Strategic Report for the year ended 31 December 2023. Details of the Directors who held office during the year and as at the date of this report are given on pages 26 to 27.

INVESTMENT OBJECTIVE

The Company seeks to generate consistent Shareholder returns predominantly in the form of income distributions, principally by making senior secured loans to energy companies.

The Company lends to companies working to drive change and deliver solutions across the energy sector, spanning renewable as well as conventional sources, with a primary focus on infrastructure assets. The Company's aim is to build a portfolio that generates an attractive and consistent risk-adjusted return for investors, as well as drive positive action with regard to climate change by structuring loans as Green Loans or Sustainability-Linked Loans.

INVESTMENT POLICY

The Company seeks to achieve its investment objective through investing primarily in a diversified portfolio of direct loans to companies that build and operate the infrastructure used to generate, transport, store and distribute both renewable and conventional sources of energy, and companies that provide services to that infrastructure. We also lend to companies seeking to facilitate the energy transition by decarbonising the energy, industrial and agricultural sectors, building sustainable infrastructure and reducing or sequestering carbon emissions. We seek to ensure that our investments are having a positive impact on climate change by structuring each deal as either a Green Loan or a Sustainability-Linked Loan, documented using industry best practices.

INVESTMENT STRATEGY

The Investment Manager seeks to leverage the wider Riverstone and Breakwall platforms to enhance its investment strategy through the opportunities and the synergies gained from being part of one of the largest dedicated energy focused private equity firms.

The key elements of the Investment Manager's investment strategy in relation to the Company and its SPVs are summarised below.

GROSS COMMITTED CAPITAL
31 December 2023

82%

(as at 31 December 2022: 102%)

NAV PER SHARE
as at 31 December 2023

\$1.06

(as at 31 December 2022: \$1.08)

DISTRIBUTION PER SHARE
with respect to the year ended 31 December 2023

8.5 cents

(with respect to the year ended 31 December 2022: 9.00 cents)



CORE STRATEGY

Direct lending

The Investment Manager will be primarily focused on originating opportunities from small to middle-sized energy companies in what the Riverstone team call the 'Wedge'; companies too small for the capital markets and without the conforming credit metrics that allow access to the commercial bank market.

All investments directly originated by the Company's SPVs are expected to involve providing primary capital to the Borrower, after having completed a thorough and comprehensive due diligence process. In each case the Riverstone team will be able to influence terms and conditions. In many cases, direct investments are expected to be held solely by the Company's SPVs, in some cases alongside Other Riverstone Funds. In others, the Company's SPVs (and Other Riverstone Funds) may be a member of a syndicate arranged by a third party.

The Investment Manager expects that lending investments made directly by the Company's SPVs will have a contractual duration of three to five years from inception and an expected duration of one to two years. The maximum term of any investment made by the Investment Manager will be seven years.

COMPLEMENTARY STRATEGIES

Capital relief and market-based opportunities

The Investment Manager may be presented with opportunities to acquire from banks' so-called 'non-conforming' loans which can no longer be held on bank balance sheets. The Investment Manager expects that such 'capital relief' and market-based transactions will be secondary in nature, will usually be based on public due diligence information and will typically not allow the Company to influence the underlying terms of the relevant investment. The Investment Manager expects that, in capital relief and market-based transactions, the Company may participate as part of a broader syndicate of third-party lenders. The Investment Manager expects these transactions made by the Company's SPVs to have a contractual duration of one to three years from inception and an expected duration of less than 12 months.

STRATEGIC REPORT CONTINUED**INVESTMENT RESTRICTIONS**

The Company observes the following investment restrictions:

- no more than 15 percent of the Company's gross assets will be exposed to any single Borrower, its parents, subsidiaries and/or sister subsidiary entities;
- at least 85 percent of the Company's gross assets will be invested directly or indirectly in aggregate, in cash and loans which are secured as to repayment of principal and payment of interest by a first or second priority charge over some or all of such entity's assets and cash;
- the Company will only invest in an underlying Borrower group, when that Borrower group has a total indebtedness (including the Company's investment) of less than 60 percent of the Borrower group's asset base;
- the Company will not invest in any undertaking in which Riverstone Holdings LLC (or any of its subsidiary undertakings) has an equity interest, other than an undertaking in which the Company and one or more Other Riverstone Funds hold, or will as a result of the relevant investment hold, related equity interests acquired at substantially the same time as part of the same transaction or a series of linked transactions; and
- the maximum term of any investment made by the Company will be seven years.

Each of these investment restrictions will be calculated and applied as at the time of investment.

DISTRIBUTION POLICY

Subject to market conditions, applicable law and the Company's performance, financial position and financial outlook, it is the Directors' intention to declare distributions to Shareholders on a quarterly basis following publication of the NAV per Ordinary Share calculated as of the final day of the relevant quarter.

The Company intends to declare distributions with respect to 100 percent of its net income (as calculated for UK tax purposes). The Board determines the percentage of net income to distribute, ensuring that it would be in the longer-term interests of the Company to do so (for instance, in the event of any permanent loss of capital by the Company). In any calendar year the Company may retain an amount equal to up to 15 percent of its net income (as calculated for UK tax purposes), in accordance with Section 1158 of the Corporation Tax Act 2010.

The declaration of any distribution will be subject to payment of the Company's expenses and any legal or regulatory restrictions at the relevant time. The Company may elect to designate as an 'interest distribution' all or part of any amount it distributes to Shareholders as distributions.

As disclosed in note 14 to the financial statements, on 20 February 2024 the Board approved a distribution of 2.5 cents per share bringing the total distribution declared with respect to the year to 31 December 2023 to 8.5 cents per share. The record date for the distribution is 1 March 2024 and the payment date is 22 March 2024.



STRUCTURE

The Company makes its investments through its SPVs. Riverstone International Credit Corp. ('US Corp') is a corporation established in the State of Delaware and is a wholly-owned subsidiary of the Company. US Corp, in turn, invests through Riverstone International Credit – Direct L.P., a limited partnership established in the State of Delaware in which US Corp is the sole limited partner. Investments may also be made through Riverstone International Credit L.P, a wholly-owned subsidiary and limited partnership, established in the State of Delaware in which the Company is the sole limited partner. The general partner of each of the limited partnerships is a member of Riverstone's group.

The Company has contributed or lent substantially all of its Net Issue Proceeds (net of short-term working capital requirements) to its SPVs which, in turn, make investments in accordance with the Company's investment policy. The Investment Manager and Sub-Manager draw on the resources and expertise of the wider Riverstone and Breakwall groups.

DISCOUNT CONTROL

It is the intention of the Board for the Company to buy back its own shares if the share price is trading at a material discount to NAV, providing that it is in the interests of Shareholders to do so. Shares which are bought back may be cancelled or held in treasury. The Company and the Board are aware that the Company's shares are trading at a discount to NAV and has discussed resuming the buyback programme in 2024.

REVIEW OF BUSINESS AND FUTURE OUTLOOK

Details of the underlying portfolio and a review of the business in the year, together with future outlook are covered in the Investment Manager's Report on pages 20 to 25.

KEY PERFORMANCE INDICATORS

The Board believes that the key metrics detailed on page 2, will provide Shareholders with sufficient information to assess how effectively the Company is meeting its objectives.

ONGOING CHARGES

Ongoing charges are an alternative performance measure and the ongoing charges ratio of the Company is 2.27 percent, calculated as total expenses divided by the weighted average NAV for the year to 31 December 2023. The weighted average NAV used in this calculation is the mean of the published quarterly NAVs for the year, at 31 December 2023 this was \$96.9m (2022: \$96.5m). Ongoing charges are made up as follows and have been calculated using the AIC recommended methodology.

	31 DECEMBER 2023		31 DECEMBER 2022	
	\$'000	%	\$'000	%
Profit Share	873	0.90	1,679	1.74
Directors' fees and expenses	160	0.16	180	0.19
Ongoing expenses	1,172	1.21	1,269	1.31
Total	2,205	2.27	3,128	3.24

The Investment Manager is entitled to a Profit Share when it meets relevant performance targets as disclosed in note 12 to the financial statements.

STRATEGIC REPORT CONTINUED

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

The Company utilises the services of Riverstone as the Investment Manager and Breakwall as Sub-Investment Manager to take appropriate Environmental, Social and Governance ('ESG') principles into account in its investment decisions and in the ongoing management of the portfolio. In order to ensure the robustness of these policies, the Board engages with the Investment Manager on ESG matters and monitors compliance of the Company's Borrowers with this policy. The Board takes its fiduciary responsibility to Shareholders seriously and engages with Riverstone on corporate governance matters. As Sub-Manager, Breakwall is required to adhere to Riverstone ESG policies and principles.

Riverstone will publish its annual ESG report in February 2024. The pages that follow summarise the key elements of this report including those which could impact RCOI's current and future investments. More detail is included in the full report, which is available on Riverstone's website: <https://www.riverstonellc.com/en/responsible-investing/>

STATEMENT FROM THE INVESTMENT MANAGER

In an increasingly complex, challenging, and fast-moving world, Riverstone's mission as a steward of our investors' capital has remained constant: to deploy capital in a sustainable manner, focusing on delivering the strongest possible risk-adjusted returns.

The recent politicisation of ESG issues has created challenges for firms like ours as we navigate an often-polarised topic. Despite this, we remain committed to our belief that a consistent, transparent, and authentic approach to ESG, and its integration across our strategies, funds, and investments, is a key component to our investment approach.

Since Riverstone was founded nearly 24 years ago, we have always believed that the success of our business goes beyond financial returns. In almost all of the companies we have invested in since 2000, a core theme has been those businesses that implement and institutionalise sound ESG policies and practices frequently result in core non-financial drivers combining with key financial drivers to generate better outcomes. Outcomes that are positive in a financial sense, but also in terms of personnel and communities, partner and regulatory relationships, and the general health of the planet for future generations.

We are proud to share our fifth annual ESG report which we believe underscores our dedication to managing ESG risks and capitalising on climate-related opportunities presented by the energy transition.

In our 2022 ESG report, we described the important work we undertook measuring greenhouse gas (GHG) emissions across our portfolio and the physical and transition climate risks we identified. In our most recent report, having listened to our investors and with an eye on incoming ESG regulation, such as the SEC's proposed Climate Disclosure Rule we have focused on the following:

- Revising our ESG policy and in so doing recalibrating and redefining how we integrate ESG into our day-to-day processes
- Revising our annual ESG questionnaire and stewardship approach to align with emerging policies, legal frameworks, and industry-recognised best practices
- Deeper engagement with our portfolio companies on ESG, including the use of a technology platform to enable the improved collection of accurate ESG data faster, and updating our portfolio scorecards
- Ongoing training and accountability of our investment professionals to ensure they not only understand the correlation between ESG and value creation but also that they are better equipped in a practical sense to advise and support portfolio companies on their ESG journeys
- Reducing limited partner costs on ESG portfolio monitoring and reporting through a top-down review of our third-party consultants

As a manager of businesses and assets in the energy sector, our focus on environmental impact is a key factor, however, we recognise the importance of a just transition and the critical social and governance factors needed to achieve this. Transparency, integrity, and trust are the cornerstones of our governance framework. We hold ourselves and our portfolio companies accountable to ethical and responsible practices.

Our firm's success to date is intertwined with the wellbeing of the communities and people with whom we engage every day. We aim to prioritise fair labour practices, diversity, equity, and inclusion in all our portfolio companies.

We seek to support causes that align with our values and look to invest in workforce development by actively engaging with our employees to ensure their safety and welfare. By fostering strong relationships with our stakeholders and focusing on the areas in which we know we can make a material impact, we aim to create shared value for our investors and society at large.



Our commitment to robust ESG principles is not just a business strategy – it is a fundamental part of our identity. While we realise there is still much work to be done, we understand that long-term success depends on our ability to adapt and address the ever-evolving needs of society, the environment, and our stakeholders. We thank our investors, employees, and partners for sharing this vision with us, and we look forward to the collective journey ahead, guided by these principles of responsible and sustainable investing.

CREDIT PORTFOLIO: ESG REVIEW

Riverstone Credit Partners was launched in 2014 as a specialty energy infrastructure lender focused on facilitating the growth of conventional, renewable and what we deem “next generation” energy companies. Having executed over 60 transactions, equating to approximately \$5.3 billion in deal activity, we consider ourselves seasoned thought leaders in both energy credit and the energy transition.

Our Approach to Sustainable Credit Investment

Our primary objective is to be exceptional stewards of our investors’ capital, generating returns for our clients, focusing on capital preservation while also providing creative and credible private debt solutions to help address the complexities of climate change.

Meeting global net zero goals will require unprecedented levels of investment in the infrastructure required to generate, transport, store, and distribute energy. The ongoing global shift away from traditional, largely hydrocarbon-based energy systems to more sustainable, low-carbon alternatives will require the construction of new, greener infrastructure. It will also require significant investment in the decarbonisation of existing energy infrastructure.

At Riverstone, we believe the most significant and immediate environmental impact is achieved through capital deployment that accelerates the decarbonisation of one of the largest emitting sectors – the conventional, hydrocarbon-based energy economy – in a way that does not sacrifice the reliability, affordability, and accessibility of energy sources.

Green Loans and Sustainability-Linked Loans

By structuring our investments as either a Green Loan or a Sustainability-Linked Loan (“SLL”) to conventional, renewable and next generation energy companies, we endeavour to ensure that every investment we make goes towards enhancing and creating a more sustainable, resilient, and equitable energy system that addresses the challenges of climate change and promotes a cleaner and more secure energy future.

Furthermore, with Green Loans or SLLs we have a pre-existing market-recognised criteria through which investments have to pass and for which borrowers have to be accountable.

We initially assess if each new opportunity meets the Green Loan Principles (“GLP”) – the central tenet of which is the loan must be applied towards a ‘green project’ which by definition has clear environmental benefits, including:

- Use of proceeds
- Process for project evaluation and selection
- Management of proceeds
- Reporting

STRATEGIC REPORT CONTINUED

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT CONTINUED

To the extent the opportunity does not qualify as a Green Loan, we will seek to evaluate the sustainability goals of the borrower and structure the loan in accordance with the Sustainability-Linked Loan Principles (SLLPs) predicated on certain material and quantifiable predetermined Sustainability Performance Targets (SPTs). The SLLPs set out a framework, enabling all market participants to clearly understand the characteristics of a SLL, based around five core components, namely the selection of KPIs, the calibration of KPIs, loan characteristics, reporting and verification. The following are critical aspects of the SLLP:







- The SPTs are set by the borrower and not the lender
- The sustainability goals are measurable and auditable
- Negative economic consequences are embedded in the loan documentation for failing to meet the goals by a specified timeline

Each Green Loan or SLL made by us receives independent verification from a credible third party provider such as a Sustainable Fitch, prior to finalisation of the loan. In both scenarios, we endeavour to increase transparency and alignment through the requirement for independent boards, board observer seats, annual questionnaires and scorecards, affirmative covenants and loan economics tied to sustainability metrics.

RIVERSTONE CREDIT PARTNERS: RECENT GREEN AND SUSTAINABILITY-LINKED LOAN TRANSACTIONS






We are committed to directing RCP dollars to facilitate decarbonisation and net-zero initiatives across the global energy industry. RCP has invested more than \$875 million in Green¹ and Sustainability-Linked Loans.

The below highlights recent fully or partially realised transactions.

	OVERVIEW		FACILITY SIZE	CLOSING	YIELD TO MATURITY	STATUS
	Community Solar Developer	57 MW Solar capacity in development at closing	\$20 million	Dec. 2020	13%	Realised
	Lithium-Ion Battery Manufacturer	10x Lithium-ion battery forecasted growth between 2020 and 2030	\$63 million	Apr. 2021	23% (+warrants)	Realised
	Plastics Recycling	#1 Riverstone's first Loan Syndications and Trading Association (LSTA) documented "Green Loan"	\$100 million	Aug. 2021	14%	Realised
	Propane Pipeline	25% Expected decrease in reportable releases from pipeline	\$77 million	Sep. 2022	12%	Epic I: Realised Epic II: Unrealised
	Water Solutions Provider	50% Electrification target metric based on water pump usage	\$126 million	Sept. 2018; Secondary Purchase in Sep. 2022	Restructured as 1L loan, preferred, and equity	Partially Realised
	Sustainable Packaging & Bulk Container Solutions	3 SPTs Tied to non-fossil fuel energy, waste reduction, and sustainable packaging	\$160 million	Dec. 2022	In line with initial term loan	Hoover I: Realised Hoover II: Unrealised

1. Green Loan Principles (GLPs) have been developed by an experienced working party, consisting of representatives from leading financial institutions active in the global syndicated loan markets, with a view to promoting the development and integrity of the Green Loan product. The GLPs comprise voluntary recommended guidelines, to be applied by market participants on a deal-by-deal basis depending on the underlying characteristics of the transaction, that seek to promote integrity in the development of the Green Loan market by clarifying the instances in which a loan may be categorised as "green". For more information on the GLPs, please visit: <https://www.lsta.org/content/green-loan-principles>.

The below represents recent realised and unrealised Green¹ and Sustainability-Linked² transactions.

	OVERVIEW		FACILITY SIZE	CLOSING	YIELD TO MATURITY	STATUS
	H₂S Treating Equipment	>33 million pounds Sulphur dioxide avoided in 2022	\$55 million	Strike I: Nov 2021 Strike III: Jun 2023	13%	Strike I: Realised Strike III: Unrealised
	Offshore Wind Fabrication	50+ Company-wide apprenticeships required	\$100 million	Mar. 2022 Upsized Aug. 2022, Oct. 2022, Dec. 2022, Jan. 2023, and Feb 2023	19% (+warrants)	Unrealised
	Produced Water Infrastructure	750 trucks per day Eliminated by the TR UE Blue Saltwater Disposal	\$57 million	Jun. 2021 Upsized Jun. 2022	12%	Unrealised
	Renewable Natural Gas ("RNG")	100% RNG delivered to on-road vehicle customers by 2025	\$150 million	Dec. 2022	12%	Realised
	Crude Pipeline & Export Infrastructure	1st Carbon-neutral crude oil export terminal on the Gulf Coast of Texas	\$28 million	Dec. 2022	Undisclosed	Unrealised

1. Green Loan Principles (GLPs) have been developed by an experienced working party, consisting of representatives from leading financial institutions active in the global syndicated loan markets, with a view to promoting the development and integrity of the Green Loan product. The GLPs comprise voluntary recommended guidelines, to be applied by market participants on a deal-by-deal basis depending on the underlying characteristics of the transaction, that seek to promote integrity in the development of the Green Loan market by clarifying the instances in which a loan may be categorized as "green". For more information on the GLPs, please visit: <https://www.lsta.org/content/green-loan-principles>.
2. Sustainability-Linked Loans (SLLs) follow a set of Sustainability Linked Loan Principles (SLLPs) which were originally published in 2019 and provide a framework to SLL structures. In order to promote the development of this product, and underpin its integrity, the APLMA, LMA and LSTA considered it appropriate to produce guidance on the SLLP, to provide market practitioners with clarity on their application and approach. For more information on the SLLP, please visit: <https://www.lsta.org/content/sustainability-linked-loan-principles-sllp>.

BOARD DIVERSITY

The RCOI Board strongly believes that having diversity in skills, experience and gender has significant benefits. The Board consists of individuals from relevant and complementary backgrounds offering experience in the investment management of listed funds, as well as in the energy sector from both a public policy and a commercial perspective. As at the date of this report, the Board comprised 2 men and 1 woman, all non-executive Directors who are considered to be independent of the Investment Manager and free from any business or other relationship that could materially interfere with the exercise of their independent judgement. Currently, the Audit and Risk Committee Chairman position is held by a woman who represents 33 per cent of Directors on the Board.

The Board is cognisant that the percentage of women on the Board is below the 40% target in the FCA diversity guidelines and it also does not currently have ethnic minority representation. The size of the Board is relatively small in comparison to the wider FTSE350 indices and therefore provides a greater challenge in complying with diversity guidelines. This will, however, continue to be a key focus during future succession planning, whilst ensuring an appropriate balance of skills and experience in the Board.

The Board recognises the importance of an inclusive and diverse Board in facilitating a collaborative culture and enhancing the delivery of the Company's strategic objectives.

STRATEGIC REPORT CONTINUED

In accordance with Listing Rule 9.8.6R(10), as at the date of this report, and as described above the composition of the Board is as follows:

	NUMBER OF BOARD MEMBERS IN SCOPE	PERCENTAGE OF THE BOARD	NUMBER OF SENIOR POSITIONS ON THE BOARD (CEO, CFO, SID AND CHAIR) ¹
Men	2	67%	1
Women	1	33%	1
Not specified/prefer not to say	–	–	–

1. The positions of CEO and CFO are not applicable to the Company as an externally managed investment fund. Senior Board positions will continue to be reviewed.

	NUMBER OF BOARD MEMBERS IN SCOPE	PERCENTAGE OF THE BOARD	NUMBER OF SENIOR POSITIONS ON THE BOARD (CEO, CFO, SID AND CHAIR) ¹
White British or other White (including minority-white groups)	3	100%	2
Mixed/Multiple Ethnic Groups	–	–	–
Asian/Asian British	–	–	–
Black/African/Caribbean/Black British	–	–	–
Other ethnic group, including Arab	–	–	–
Not specified/prefer not to say	–	–	–

1. The positions of CEO and CFO are not applicable to the Company as an externally managed investment fund. Senior Board positions will continue to be reviewed.

The above information is based on voluntary self-declaration from the Directors.

The Company's policy on diversity is further detailed in the Corporate Governance Report on page 36.

EMPLOYEES AND OFFICERS OF THE COMPANY

The Company does not have any employees and therefore employee policies are not required. The Directors of the Company are detailed on pages 26 to 27.

**PRINCIPAL, EMERGING RISKS
AND UNCERTAINTIES**

Under the FCA's Disclosure Guidance and Transparency Rules, the Directors are required to identify those material risks to which the Company is exposed and take appropriate steps to mitigate those risks. Risks relating to the Company are disclosed in the Company's prospectus which is available on the Company's website <https://www.riverstonecoi.com>.

The Company's assets consist of investments, through SPVs, within the global energy industry, with a particular focus on opportunities in the global E&P and midstream energy sub-sectors. Its principal risks are therefore related

to market conditions in the energy sector in general, but also the particular circumstances of the businesses in which it is invested. The Investment Manager seeks to mitigate these risks through active asset management initiatives and by carrying out due diligence work on potential targets before entering into any investments.

The Board thoroughly considers the process for identifying, evaluating and managing any significant and emerging risks faced by the Company on an ongoing basis and has performed a robust assessment of those risks, which are reported and discussed at Board meetings. The Board ensures that effective controls are in place to mitigate these risks and that a satisfactory compliance regime exists to ensure all applicable local and international laws and regulations are upheld. During the year the Audit and Risk Committee has reviewed and made minor updates to the Company's principal risks, which are outlined below.

For each material risk, the likelihood and consequences are identified, management controls and frequency of monitoring are confirmed and results reported and discussed at the quarterly Board meetings.

The key areas of risk faced by the Company and mitigating factors are summarised below:

1. The Ordinary Shares may trade at a discount to NAV per Share for reasons including but not limited to market conditions, liquidity concerns and actual or expected Company performance. In its efforts to mitigate this risk, the Investment Manager closely monitors and identifies the reasons for significant fluctuations, and considers the Company's share repurchase program when applicable and in the interests of Shareholders. As such, there can be no guarantee that attempts to mitigate such discount will be successful or that the use of discount control mechanisms will be possible, advisable or adopted by the Company.

2. The ability of the Company to meet the target distribution will depend on the Investment Manager's ability to find investments that generate sufficient and consistent yield to support the Target Distribution. The Investment Manager will identify and manage suitable investments in accordance with the Investment Policy, market conditions and the economic environment. To mitigate this risk, the Company's Investment Policy and investment restrictions enable the Company to build a diversified energy portfolio that should deliver returns that are in line with the Target Distribution range.

3. The ability of the Company to achieve its investment objectives is dependent on the Investment Manager sourcing and making appropriate investments for the Company. Investment returns will depend upon the Investment Manager's ability to source and make successful investments on behalf of the Company. To mitigate this risk, the Investment Manager regularly discusses any new investment and the investment pipeline for RCOI with the Board. The Investment Manager is well resourced and has access to the wider skills and expertise at Riverstone whose personnel have years of experience in the global energy sector.

4. Environmental exposures and existing and proposed environmental legislation and regulation may adversely affect the operations of Borrowers. Delay or failure to satisfy any regulatory conditions or other applicable requirements could prevent the Company from acquiring certain investments or could hinder the operations of certain Borrowers. To mitigate this risk, the Investment Manager has usual and customary inspection rights and affirmative covenants regarding environmental matters contained in credit agreement documentation. The Investment Manager has a clear ESG policy which is implemented and reviewed by the Board.

5. The Company's investment objective requires it to invest in loans that are likely to be both illiquid and scarce. If there is an adverse change in the underlying credit, then the ability of RCOI to recover value may be impaired. To mitigate this risk, the Company primarily originates shorter duration senior secured loans with protective provisions. In some instances the loans incentivise early repayment.

6. The valuations used to calculate the NAV on a quarterly basis will be based on the Investment Manager's unaudited estimated fair market values of the Company's investments and may be based on estimates which could be inaccurate. To mitigate this risk, the Investment Manager has an extensive valuation policy and also has engaged the independent valuation services of Houlihan Lokey on a quarterly basis.

7. In today's global technological environment, the Company, its investments and its engaged service providers are subject to risks associated with cyber security. The effective operation of the Investment Manager and the businesses of Borrowers are likely to be highly dependent on the availability and operation of complex information and technological systems. To mitigate this risk, the Audit and Risk Committee Chairman monitors cyber security risk and best practices. Cyber security due diligence and ongoing monitoring is performed on each potential and current borrower.

STRATEGIC REPORT CONTINUED

8. The Company may be exposed to fluctuations and volatility in commodity prices through investments it makes, and adverse changes in global supply and demand and prices for such commodities may adversely affect the business, results of operations, and financial condition of the Company. To mitigate this risk, the Investment Manager intends to create a diversified portfolio across various energy subsectors, commodity exposures, technologies and end-markets to provide natural synergies that aim to enhance the overall stability of the portfolio.
-
9. The Company will only lend to Borrowers in the global energy sector and such single industry concentration could affect the Company's ability to generate returns. Adverse market conditions in the energy sector may delay or prevent the Company from making appropriate investments. To mitigate this risk, the Investment Manager intends to create a diversified portfolio across various energy subsectors, commodity exposures, technologies and end-markets to provide natural synergies that aim to enhance the overall stability of the portfolio.
-
10. The performance of the Company may be affected by changes to interest rates and credit spreads. To mitigate this risk, the Investment Manager assesses credit risk and interest rate risk on an ongoing basis and closely monitors each investment with the assistance of each respective management team and the engaged service providers.
-
11. The Company relies on a third-party provider for the key operational tasks of the Company. The failure of any service provider to carry out their duty may have a detrimental effect on the operation of the Company. To mitigate these risks the Board will review the internal control reports, and consider business continuity arrangements of the Company.
-

REALISATION ELECTION

We are keenly aware of the persistent discount at which the shares trade, and the Board does not believe this reflects the value of the portfolio. As ever we continue to work assiduously with the manager on a number of initiatives to reduce the discount including active asset management and proactive and frequent engagement with equity market participants. We are also focused on the forthcoming realisation election in May 2024 and look forward to engaging with shareholders to understand both their intentions to participate and their views regarding the future of the Company. We remind investors that if the Company's remaining Ordinary share net asset value falls below \$50m as a result of the election, the Company will amend its investment objectives and policy to adopt a realisation strategy. As always, the Board and the manager

remain vigilantly focused on optimising the portfolio to ensure long-term value creation for our shareholders. Further announcements on the upcoming realisation election will be made in due course.

For the forthcoming realisation election in May 2024, shareholders will vote whether or not to redesignate their shares on a one for one basis to realisation shares. The Realisation Share NAV (the NAV attributable to the realisation shares) and the Ordinary Share NAV (the NAV attributable to the remaining ordinary shares) will be calculated after the Annual General Meeting.

If the Realisation Share NAV is below \$5.0m, these shares will be repurchased and the remaining shares will continue as before, and if the Realisation Share NAV is above \$5.0m, the assets and liabilities of the Company will be allocated pro rata in a Continuation Pool and a Realisation Pool.

Alternatively, if the remaining Ordinary Share NAV is below \$50.0m, the investment objective and investment policy will change to hold the Company's assets to repayment at maturity without reinvesting any cash realised by the Company with the aim of making progressive returns of cash to Shareholders as soon as practicable and ultimately liquidating the Company.

GOING CONCERN

As at 31 December 2023, the cash balance within the Company was \$0.6 million and cash and cash equivalent balances within the SPVs amounted to \$8.5 million. The Company currently has existing liabilities of \$1.1 million, plus a distribution payable of \$2.3 million with respect to the quarter ended 31 December 2023.

During Q4 2022, Riverstone International Credit – Direct, a wholly owned subsidiary of the Company entered into a Revolving Credit facility ("RCF" or "facility") Agreement for \$15.0 million with BC Partners. The SPV borrowings from the facility at 31 December 2023 were \$5.0m, leaving the remaining \$10.0m million undrawn commitment for future borrowings.

The guarantors are the Company, Riverstone Credit Opportunities Income Partners – Direct L.L.C., a Delaware limited liability company and Riverstone Credit Opportunities Income Partners L.L.C., a Delaware limited liability company. The SPVs are required to maintain an LTV Ratio below the Covenant LTV of 22% at each borrowing request date. The LTV Ratio is calculated as the total outstanding principal and accrued interest on the facility divided by the aggregate NAV of the SPVs, Riverstone International Credit L.P. and Riverstone International Credit-Direct L.P. At 31 December 2023, the SPVs were compliant with the Covenant LTV, with an LTV of ~6% and \$10.0m of the undrawn commitment is available. The SPVs also entered into a money market capital fund with JP Morgan, earning about 5% interest annually. Cash held at the money market account is readily transferrable within one business day, and the balance at 31 December 2023 was \$15.1 million.

The cash balance of the Company and its SPVs are comprised of cash and money market fixed deposits and the risk of default on the counterparties cash and deposits is considered extremely low. Due to this the Directors believe there are no material liquidity or solvency risks for the Company's financial resources and working capital.

Additionally, the operating expenses of the trust and its SPVs are budgeted to be between \$3.0 million and \$3.5 million during the period of assessment including taxes and interest expense from the SPV facility. Based on the high end of this range, using all the cash at the SPVs and in the Company, along with the proceeds invested in the money market capital fund, it would take the Company and its SPVs' approximately seven years to run out of cash.

The major cash outflows of the Company and its SPVs are expected to be the payment of distributions and expenses, share repurchases and the acquisition of new assets, all of which are analysed in the scenarios outlined below based on timing and covenant compliance.

The Company has assessed multiple case scenarios, including scenarios impacted by the upcoming realisation election, from base case to the ultimate downside scenario. In the highly unlikely ultimate downside scenario, where all unrealised investments are written down to zero and expenses increase by 50%, the Company and its SPVs will still have sufficient funds to cover their obligations and continue operating for the going concern period.

The first continuation vote for the Company will be proposed at the AGM of the Company to be held in May 2027, which is after the going concern period has ended.

The Directors have concluded the Company's financial statements shall be prepared on a going concern basis. However, as the realisation election will not conclude until after the approval of these financial statements, there is a material uncertainty related to this event that may cast significant doubt on the Company's ability to continue as a going concern. The financial statements do not contain the adjustments that would result if the company were unable to continue as a going concern.

LONGER TERM VIABILITY

As required by the AIC Code, the Directors have assessed the prospects of the Company over a longer period than required by the going concern provision. The Company's investments have a maximum term of seven years and are expected to have a contractual duration of three to five years from inception. The current weighted average tenor at entry is 3.4 years, therefore the Board chose to conduct a review for a period of three years to 31 December 2026.

The Company and its SPVs currently hold unrealised investments with stated maturity dates through the end of 2026, which is the end of the longer term viability period under assessment. As it currently stands, more than 60% of the current portfolio tenor is set to mature in 2026. The Company will still have unrealised investments and sufficient liquidity at the end of the longer term viability period to operate.

At 31 December 2023, the Company and its SPVs had unfunded commitments of \$6.4 million and an unpaid RCF of \$5 million. The RCF will be paid down in January of 2024, and the unfunded commitments are expected to be funded by mid-2024, both of which would be funded using cash on hand at Riverstone International Credit – Direct, L.P. ("RIC D") and the JP Morgan money market capital fund. At 31 December 2023, the total cash held by both of these sources was \$23.0 million, which sufficiently covers both obligations.

In addition to cash and cash equivalents currently on hand, all investments are expected to be realised by the end of the longer term viability period, providing the Company with more than sufficient cash needs to pay ongoing expenses over the longer term viability period and meeting quarterly dividend payments to shareholders. The outcome of the Realisation Election cannot be determined at this time, and therefore our assessment is subject to shareholders voting to retain their ordinary shareholding. The Company has adequate liquidity to continue operations through the longer term viability period, and it would take the Company and its SPVs approximately seven years to run out of cash.

The first continuation vote for the Company will be proposed at Annual General Meeting of the Company to be held in May 2027, which is after the viability period currently under assessment has ended.

STRATEGIC REPORT CONTINUED

The Directors and the Company note that from the information presented above, the Company has sufficient liquidity and will continue to hold unrealised investments to meet its liabilities as they fall due for the longer term viability. The Company will continue to assess the business in the near term, as well as the upcoming realisation election, and will have more clarity around the realisations of the unrealised portfolio in the coming months.

In support of this statement, the Directors have taken into account all of the principal and emerging risks and their mitigation as identified in the Principal and Emerging Risk and Uncertainties section above, the nature of the Company's business; including the cash reserves and money market deposits at the SPVs, the potential of its portfolio of investments to generate future income and capital proceeds, and the ability of the Directors to minimise the level of cash outflows, if necessary.

The most relevant potential impacts of the identified Principal, Emerging Risks and Uncertainties on viability were determined to be:

- the ability of the Company to meet the target distribution will depend on the Investment Manager's ability to identify and manage suitable investments in accordance with the Investment Policy
- the Company will only lend to Borrowers in the global energy sector, and such single industry concentration could affect the Company's ability to generate returns, and adverse market conditions in that sector may delay or prevent the Company from making appropriate investments that generate attractive returns
- the absence of a substantial secondary market and liquidity for the Company's investments means that the Company may be unable to realise value from its investments and investors could lose all or part of their investment

Each quarter, the Board reviews threats to the Company's viability utilising the risk matrix and updates as required due to recent developments and/or changes in the global market. The Board relies on periodic reports provided by the Investment Manager and Administrator regarding risks faced by the Company. When required, experts are utilised to gather relevant and necessary information, regarding tax, legal, and other factors.

The Investment Manager's investment strategy focuses primarily on energy infrastructure, infrastructure services and energy transition assets which will play a meaningful role in supporting the traditional, transitioning, and new participants in the energy sector. New investments will be structured as Green Loans or Sustainability-Linked Loans as each borrower seeks to play their part in moving to a world of lower carbon emissions. In support of this statement, the Investment Manager conducts background checks for key management and governance of a new borrower.

The Investment Manager considers the future cash requirements of the Company before funding portfolio companies. Furthermore, the Board receives regular updates from the Investment Manager on the Company's cash position, which allows the Board to maintain its fiduciary responsibility to the Shareholders and, if required, limit funding for existing commitments.

The Board considered the Company's viability over the three-year period, based on a working capital model prepared by the Investment Manager. The working capital model forecasts key cash flow drivers such as capital deployment rate, investment returns, and operating expenses. In connection with the preparation of the working capital model, capital raises, realisations, and, distribution payments and/or share repurchases were assumed to not occur during the three year period, unless already predetermined. The RCF available to the Company's SPVs enables deployment of increased capital to the Company's attractive pipeline of Sustainability-Linked and Green Loan opportunities, thereby increasing the earnings power of the portfolio.

Based on the aforementioned procedures and the existing internal controls of the Company and Investment Manager, the Board has concluded there is a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the three-year period of the assessment.

DIRECTORS' RESPONSIBILITIES PURSUANT TO SECTION 172 OF THE COMPANIES ACT 2006

The Directors are responsible for acting in a way that they consider, in good faith, is the most likely to promote the success of the Company for the benefit of its members. In doing so, they should have regard for the needs of stakeholders and the wider society. Key decisions are those that are either material to the Company or are significant to any of the Company's key stakeholders. The Board consider the Company's key stakeholders to be: its existing and potential new Shareholders, service providers (Investment Manager, corporate broker, registrar and depositary), investee companies and suppliers. It should be noted that the Company has no employees, aside from the Directors.

Engagement with Stakeholders

As further disclosed in the Corporate Governance Report on page 35, the Company reports to Shareholders in a number of formal ways, including its Annual Report, Interim Report and regulatory news releases, all of which are approved by the Board. The AGM, detailed below, is used as a forum for the Board and Investment manager to communicate Company performance and future plans and prospects. It is expected members of the Board will be in attendance and will be available to answer any Shareholder questions. The Company's website was updated during the year and contains comprehensive information for Shareholders and provides regular market commentary. In addition, the Chairman's, Company Administrator's and Investment Manager's contact email addresses are also available for Shareholders to contact, outside of the AGM. The Board invites representatives from the Broker to provide regular analysis of Shareholder movements, industry changes and contact with investors. The Board seeks to engage with the Investment Manager and other service providers in an open manner, encouraging constructive discussion. This approach enhances service levels and strengthens relationships to receive the highest standard of service at a competitive cost, ensuring Shareholders interest are best served.

The below key decisions were made or approved by the Directors during the year, with the overall aim of promoting the success of the Company while considering the impact on its members, stakeholders and the wider society as outlined in the ESG section on pages 10 to 13.

Investment policy

The Company invests in a diversified portfolio of direct and indirect investments in loans, notes, bonds and other debt instruments. The Investment Manager adopts a responsible investing approach which takes into account the Company's ESG principles and strategy, as outlined in detail in the ESG sections within the Strategic Report and Investment Manager's Report. The Board has reviewed and approved the investment policy. The Board and the Investment Manager monitor the concentration of the investment in the SPVs on a quarterly basis to ensure compliance with the investment policy.

The Company completed one new investment (2022: six), and two realisations (2022: six) during the year. The new investment and one of the realisations during the year related to the refinancing of Streamline and the other realisation related to Clean Energy Fuels. The Company reports to the Shareholders through regulatory news releases, using the London Stock Exchange's Regulatory News Service and Interim and Annual Reports. Any new investments are announced immediately, and portfolio updates, realisations, valuation updates and distribution announcements are all communicated in a timely fashion through this means.

The Directors held a dedicated strategy meeting and validated the Company's policy and strategic approach to close the discount in share price. This included ensuring alignment with ownership interests, as well as potential interests in the future. The Directors considered in detail the structure, costs and promotion of the Company to the secondary market.

Distributions

The Board has reviewed and approved distributions of 8.5 cents per share with respect to the year (2022: 9.00 cents per share with respect to the year).

Board Committees

The Board's Audit and Risk Committee, Nomination Committee and Management Engagement Committee continue to ensure a good corporate governance framework for the Company. The Chairman of each committee will attend the AGM to answer any questions on their committee's activities.

Share buyback programme

The Company stopped its share buyback programme in August 2022 where between the period of 30 June 2022 – 31 August 2022 the Company repurchased 740,146 shares. The Company may reinstate its share buyback programme in late 2024, including a tender offer in order to reduce the share price discount to NAV.

ANNUAL GENERAL MEETING

The AGM of the Company will be held at 14:00 BST on 22 May 2024 at the offices of Hogan Lovells International LLP, Atlantic House, Holborn Viaduct, London EC1A 2FG. In accordance with the Articles of Association, a Realisation Election will be proposed at the AGM. For the forthcoming realisation election, shareholders will vote whether or not to redesignate their shares on a one for one basis to realisation shares. Details of the other resolutions to be proposed at the AGM, together with explanations, will appear in the notices of meetings to be distributed to Shareholders in April 2024. As a matter of good practice, all resolutions will be conducted on a poll and the results will be announced to the market as soon as possible after the AGM.

It is expected that members of the Board will be in attendance and will be available to answer Shareholder questions.

On behalf of the Board



REUBEN JEFFERY, III

Chairman
20 February 2024

INVESTMENT MANAGER'S REPORT

ABOUT THE INVESTMENT MANAGER

Appointed in May 2019, the Investment Manager, an affiliate of Riverstone Holdings, seeks to generate consistent shareholder returns predominantly in the form of income distributions principally by making Green and Sustainability-Linked, senior secured loans to energy transition businesses.

Loans are classified as Green Loans when they support environmentally sustainable economic activity and Sustainability-Linked Loans when they contain sustainability performance targets or other equivalent metrics to be monitored. RCOI lends to companies working to drive change and deliver better solutions across the energy sector, spanning renewable as well as conventional sources, with a primary focus on infrastructure assets. The Company's aim is to build a portfolio that generates an attractive and consistent risk-adjusted return for investors, as well as drive positive impact regarding climate change by structuring loans as Green Loans or Sustainability-Linked Loans.

The Company will seek to achieve its investment objective predominantly through investing in a diversified portfolio of direct and indirect investments in loans, notes, bonds, and other debt instruments, including convertible debt, issued by Borrowers operating in the energy sector.

On 31 December 2023, Riverstone Holdings LLC and their affiliate Riverstone Investment Group (collectively, "Riverstone") entered into an agreement with Breakwall Capital LP to provide sub-management services (the "Sub-Management Agreement") for all credit vehicles managed by Riverstone, including RCOI (the "Existing Credit Vehicles"). Breakwall is a newly formed independent asset-management firm regulated by the SEC as a Registered Investment Advisor, owned and operated by the existing Riverstone Credit Partners team. Services provided by Breakwall commenced on 31 December 2023.

Under the arrangement, Riverstone will remain the manager of RCOI on the terms of RCOI's existing management agreement and all aspects of the ongoing management of the Company, including the day-to-day investment team, will remain consistent. Breakwall, as Sub-Manager, will be leading any new investments. In its capacity as Sub-Manager to the Manager, the Sub-Manager shall recommend to the Manager each and every action to be taken by the Manager pursuant to the governing agreements of the Existing Credit Vehicles. There will be no increase in fees payable by RCOI as a result of the modified arrangements. The Board of RCOI has been involved in discussions and are confident that the structure of Riverstone as manager and Breakwall as the future sub-manager will continue to deliver strong returns for shareholders.

Riverstone's investment professionals have a unique combination of industry knowledge, financial expertise, and operating capabilities. The Company also benefits from the guidance and input provided by non-Riverstone credit team members of Riverstone's credit investment committee who are involved in the Company's investment process. The Company believes that Riverstone's global network of deep relationships with management teams, investment banks and other intermediaries in the energy sector leads to enhanced sourcing and deal origination opportunities for the Company.

INVESTMENT STRATEGY

The Investment Manager will continue to leverage the wider Riverstone and Breakwall platforms to enhance its investment strategy through the opportunities presented and the synergies gained from being part of one of the largest dedicated energy focused private equity firms.

The key elements of the Investment Manager's investment strategy in relation to the Company's SPVs are summarised below.



INVESTMENT PORTFOLIO SUMMARY

As of 31 December 2023, the Company holds a diverse portfolio of nine direct investments across energy infrastructure & infrastructure services and energy transition assets as further discussed below. In addition, RCOI holds the warrants of one investment where the loan was fully realised. The Company completed one new investment and two realisations during the year. The new investment and one of the realisations during the year related to the refinancing of Streamline and the other realisation related to Clean Energy Fuels. The Investment Manager continues to maintain a strong pipeline of investment opportunities and expects to make further commitments across the infrastructure, infrastructure services and energy transition sectors. RCOI will receive an allocation of new investments in accordance with the limitations illustrated in the Company's Investment Restrictions. The determination of what percentage received will be pro rata to the available capital for all of the RCP funds that are eligible to participate in the investment.

In the descriptions that follow, yield to maturity is inclusive of all upfront fees, original issue discounts, drawn spreads and prepayment penalties through the stated maturity of the loan. Most loans have incentives to be called early. A portion of the loans have a "payment-in-kind" feature for drawn coupons for a limited time period. Similarly, some of the loans have a "delayed-draw" feature that allows the borrower to call capital over time, but always with a hard deadline. Loans that are committed are loans with signed definitive documentation where a structuring fee and/or original issue discount have been earned and the Company earns an undrawn spread. Loans that are invested are signed with definitive documentation and, where a structuring fee and/or original issue discount have been earned, the Company has funded the loan to the Borrower and the Company is earning a drawn coupon.

All capitalised terms are defined in the list of defined terms on page 80 to 81 unless separately defined.

The Investment Manager expects that every loan it makes will advance the cause of energy transition one way or another. For new green energy infrastructure, or conversion of older assets to a more sustainable use, we will make Green Loans. For existing hydrocarbon related businesses, we will make Sustainability-Linked Loans that tie loan economics to meeting specific sustainability performance targets. Both structures will be based on LSTA guidelines and be subject to third party independent opinion from Sustainable Fitch.

Seawolf Water Resources – RCOI participated in a Sustainability-Linked secondary investment in a stapled bundle of private securities in Seawolf Water Resources, a privately held water infrastructure services company with operations primarily in Loving County, Texas and southern New Mexico. The investment includes a first lien term loan along with preferred stock and common equity, collectively at a significant discount to market value.

The investment by RCOI closed on 26 September 2022, and has a maturity of March 31, 2026, and an estimated all-in yield to maturity on the loan of 10.6 percent to RCOI. The preferred stock and common equity are perpetual in nature but benefit from excess cash returned to the shareholders from time to time. Across the term loan, preferred stock, and common equity, RCOI has committed a total of \$9.0 million, reflecting 11.8 per cent of RCOI's overall commitments. The original total loan size was \$84.2 million.

Use of proceeds was to assist in operations in water infrastructure services across Loving County, Texas, and southern New Mexico.

INVESTMENT MANAGER'S REPORT CONTINUED

EPIC Propane (“EPIC”) – RCOI amended and extended its investment in EPIC Propane, a sponsor-backed infrastructure company that provides propane purity offtake transportation to the Gulf Coast export market. EPIC Propane is part of the broader EPIC Midstream system that includes over 1,695 miles of crude oil and natural gas liquids pipelines, collectively referred to as “EPIC”.

The amendment closed in September 2022, and the loan’s maturity was extended to September 2026 and the optional prepayment feature was amended to add a two-year make-whole provision. RCOI has realised c. \$1m profits from the extension. All other material economic terms remain the same. As part of the amendment, the loan was converted to a Sustainability-Linked Loan and all of the economics associated with the original transaction were realised, including the exit premium.

In conjunction with the amendment, RCOI’s allocation to the loan was reduced from \$14.8m to \$13.9m in order to comply with the Company’s diversification policies.

As of 31 December 2023, the full remaining commitment of \$13.9 million has been invested, reflecting 18.1 per cent of RCOI’s overall commitments. The original total loan size from the refinance was \$77.0 million.

Hoover Circular Solutions (“Hoover CS”) – RCOI upsized and refinanced its investment in a Sustainability-Linked first lien term loan for Hoover CS, a leading provider of sustainable packaging and fleet management solutions, that is paving the way for customers across the chemical, refining and general industrial-end markets to move away from single-use containers. Sustainable Fitch, a division of Fitch Group focused on ESG, provided a Second Party Opinion (“SPO”) on the loan.

At closing on 30 November 2022, all of the Borrower’s outstanding debt was refinanced by the new \$160 million Sustainability-Linked, first lien term loan due November 2026.

As part of the new deal allocations, RCOI’s commitment was further upsized to \$13.7 million, and the expected returns are in line with the initial investment.

As of 30 June 2023, the full remaining commitment of \$13.7 million has been invested, reflecting 18.0 per cent of RCOI’s overall commitments. The original total loan size from the refinance was \$160.0 million.

Clean Energy Fuels Corp. – RCOI participated in, and obtained an SPO from Sustainable Fitch on, a new four-year \$150 million Sustainability-Linked first lien term loan (the “Term Loan”) to Clean Energy Fuels Corp. (“Clean Energy Fuels” or “CLNE”), the largest provider of clean fuel for the transportation market.

At close on 22 December 2022, RCOI committed \$13.9 million. The first lien floating rate term loan has a maturity of 22 December 2026 with an all-in yield to maturity of c.12 per cent for RCOI on a fully drawn basis.

The Company’s SPV, Riverstone International Credit – Direct L.P., fully realised the investment on 12 December 2023 at a gross IRR of 14.9% and a net IRR of 10.8% and a gross MOIC of 1.14x and a net MOIC of 1.10x.

Max Midstream – RCOI participated in, and obtained an SPO from Sustainable Fitch on, a new \$28.6 million Sustainability-Linked, first lien term loan (the “Term Loan”) to a subsidiary of Max Energy Industrial Holdings US LLC (“Max”), which is developing the first carbon-neutral crude oil export terminal on the Gulf Coast of Texas, which it believes will lead to increased market share as crude consumers globally seek to reduce their overall carbon footprint. At close on 30 December 2022, RCOI committed \$5.0 million.

As of 31 December 2023, the full remaining commitment of \$5.0 million has been invested, reflecting 6.5 per cent of RCOI’s overall commitments. The original total loan size was \$28.3 million.



Harland & Wolff – RCOI participated in a \$70.0 million first lien Green Term Loan to this LSE listed infrastructure operator engaged in the development and operation of strategic maritime assets across the United Kingdom.

At closing on 9 March 2022, \$11.8 million was committed by RCOI and \$7.9 million was funded for RCOI's portion of the \$23.1 million drawn at close for the \$35.0 million committed facility tranche. The first lien term loan has a maturity of December 2024 and an estimated all-in yield to maturity of 13.2 per cent for RCOI on a fully-drawn basis. Proceeds from the term loan will be utilised to fund working capital and capital expenditures associated with the fabrication of wind turbine generator jackets for the NG Offshore Wind Project, to repay existing indebtedness, to fund an interest reserve account, and to pay transaction fees & expenses. The Company will also grant Riverstone detachable warrants over new ordinary shares in the Company ("Warrants") as part of this transaction. A total of 17.2 million warrants will be issued to Riverstone, of which 5.1 million warrants are for RCOI, representing 27.0 per cent of the Company's outstanding warrants.

The term loan has been structured as a Green Loan following the Green Loan Principles published by the Loan Market Association ("LMA"), the Asia Pacific Loan Market Association ("APLMA"), and the Loan Syndications & Trading Association ("LSTA") and a Sustainability-Linked Loan with performance indicators focused on social responsibility. Harland & Wolff is incentivised to upscale its group-wide apprenticeship programme to benefit the local communities in which it operates. Harland & Wolff plans to build on its success to date and seeks further contracts within the renewables and "green maritime" sectors, such as fabrication contracts for offshore wind and hydrogen projects, new vessel builds, retrofits with sustainability credentials and other such contracts that would promote the UK Government's agenda to achieving Net Zero by 2050.

In October and December 2022, RCOI participated in \$15.0 million and \$7.2 million upsizes of the investment, respectively, bringing RCOI's total commitment to \$14.6m.

As of 31 December 2023, the full remaining commitment of \$14.6 million has been invested, reflecting 19.0 per cent of RCOI's overall commitments. The original total loan size was \$100.0 million including the recent upsizes.

INVESTMENT MANAGER'S REPORT CONTINUED

Streamline Innovations – RCOI amended and extended its investment in Streamline Innovations, a leader in environmentally-advanced treatment solutions for the removal of hydrogen sulphide (H₂S) from natural gas, renewable fuels, wastewater, and industrial processes. The facility was structured as a Green Loan with Sustainable Fitch providing a SPO. The SPO verifies the facility's alignment to the LSTA Green Loan Principles with the transaction being compliant with the four pillars of the LSTA Green Loan Principles and aligned with the LSTA category of pollution and prevention.

During Q2 2023, the Company amended and extended its investment in Streamline Innovations and realised c. \$2.0 million of profits at closing of the amendment and extension resulting in a 24 per cent gross IRR (19 per cent net IRR) and a 1.3x gross MOIC (1.2x net MOIC) of the initial investment in Streamline Innovations. As part of this amendment and extension closing, the facility was upsized to \$55.0 million, the maturity was extended to December 2026, and economic terms were adjusted for an estimated all-in yield to maturity of 13 percent to RCOI. RCOI's allocation to the loan was \$9.9 million.

As of 31 December 2023, \$3.5 million of the \$9.9 million commitment has been invested, reflecting 13.0 per cent of RCOI's overall commitments. The original total loan size from the refinance was \$55.0 million.

Blackbuck Resources – RCOI participated in a \$50.0 million first lien delayed-draw Sustainability-Linked Term Loan to the sponsor-backed water infrastructure company focused on providing E&P operators with a one-stop shop for all things related to water management, including treatment, gathering, recycling, storage and disposal. At closing on 30 June 2021, \$9.9 million was committed by RCOI. The first lien term loan has a maturity of June 2024 and an estimated all-in yield to maturity of 11.9% for RCOI on a fully-drawn basis.

The term loan was RCP and RCOI's first Investment documented as a "Sustainability-Linked Loan" per LSTA guidelines, with pricing step-ups tied to meeting specific sustainability performance targets ("SPTs") set by the Company's board. For Blackbuck, the SPTs were related to the number of truckloads of water (and the resulting emissions) that could be removed from the highways from their activities. RCP and RCOI intend to use similar lending structures for qualifying companies going forward. The use of proceeds was primarily to refinance existing indebtedness and growth capex.

In June 2022, the loan was upsized \$7.0 million bringing the total facility to \$57.0 million. The proceeds, along with incremental equity, will be used to fund growth capex associated with new contracts.

Sustainable Fitch, a division of Fitch Group focused on ESG, provided a Second Party Opinion ("SPO") on the Sustainability-Linked Loan to Blackbuck. The SPO considers the loan to be aligned with the five pillars of the LSTA Sustainability-Linked Loan Principles.

On 31 March 2023, the remaining available commitment was terminated as per the availability period termination on the credit agreement.

In December 2023, as part of the amendment and extension, Blackbuck's maturity was extended to 31 December 2024, and economic terms were adjusted for an estimated all-in yield to maturity of 17 per cent to RCOI. As part of the amendment, the current exit premium of 106 was paid, reducing the go forward exit premium to zero, resulting in c. \$0.6 million in profits to be distributed. In addition, c. \$0.1 million of the loan was repaid to RCOI, resulting in \$9.9 million of principal balance outstanding.

As of 31 December 2023, the remaining commitment of \$9.7 million has been invested, reflecting 12.7 per cent of RCOI's overall commitments. The original total loan size was \$55.0 million inclusive of recent termination of the \$2.0 million unfunded portion of the upsize.

Imperium3 New York, Inc – RCOI participated in a \$63.0 million first lien delayed-draw term loan to this lithium-ion battery company that will commercialise high performing lithium-ion batteries by developing a large-scale manufacturing facility in Endicott, NY. In addition to having a first lien on the manufacturing assets, the credit facility is supported by two parent guarantors: Charge CCCV "C4"), which is a research and development company based in Binghamton, New York with patented discoveries in battery composition, and Magnis Energy Technologies Limited "Magni") (ASX: MNS). Once producing at scale, the company will be the first U.S. battery cell supplier not captive to an original equipment manufacturer and supply various underserved industrial end-markets.

At closing on 16 April 2021, \$6.8 million was committed by RCOI and \$5.4 million was drawn at closing. Following the close 20 per cent of the funded investment was sold to a third party. The first lien term loan has a maturity of April 2025 and an estimated all-in yield to maturity of 22.1 per cent for RCOI on a fully-drawn basis. The yield is made up of upfront fees, a drawn coupon and exit fees that are higher than the average in the rest of the portfolio.

The use of proceeds was primarily to construct the manufacturing facility.

In April 2022, the Company fully refinanced this loan with a new source of financing, resulting in a 32.5 per cent realised IRR and 1.25x realised MOIC. Additionally, the Company will retain our non-dilutable equity Warrants which provides meaningful upside to this investment.

Caliber Midstream – RCOI participated in a \$10.0 million upside of RCP's commitment to a \$65.0 million first lien HoldCo term loan for a sponsor-backed Bakken focused midstream company that provides crude oil and natural gas gathering and processing, produced water transportation and disposal, and freshwater sourcing and transportation. RCP closed the initial \$65.0 million financing in June 2018. The term loan upside closed in August 2019.

At closing, \$3.4 million was committed by RCOI. The first lien HoldCo term loan had a maturity of June 2022 and an all-in expected yield to maturity of 11.8 per cent on a fully drawn basis.

Use of proceeds, combined with Caliber Midstream Partners' ("OpCo") RCF draw, was to fund an acquisition.

In March 2021, OpCo's largest customer, Nine Point Energy, terminated their midstream contract with Caliber and subsequently filed for Chapter 11 bankruptcy. In April 2021, RCOI and other RCP affiliates purchased a small allocation of the OpCo RCF with a maturity in June 2023. In May 2021, RCP and other HoldCo Lenders completed a recapitalisation of Caliber resulting in HoldCo Term Loan Lenders receiving substantially all of the equity in HoldCo.

In March 2022, the Company and OpCo lender closed the restructuring with the OpCo lenders receiving approximately 100% of the equity. Following the restructuring, new management was hired, a new contract was executed and there remains increased focus on cost cutting initiatives and new revenue opportunities. In June 2023, the Priority Liquidity Facility was moved to a new entity, Caliber MidCo LLC.

In November 2023, the Escrowed proceeds from the restructure in March 2022 were distributed to the lenders.

As of 31 December 2023, the full \$4.0 million commitment has been invested, reflecting 0.9% of RCOI's overall commitments post restructuring. The original total loan size for the OpCo RCF and HoldCo were \$129.4 million and \$35.1 million, respectively.

SUBSEQUENT EVENTS AND OUTLOOK

In aggregate, two investments were realised during 2023, one of which as part of a successful refinancing. The Investment Manager continues to believe that this is a market where patience and a disciplined approach to investing are likely to be well rewarded and create real value for shareholders.



The backdrop for the broader energy sector remains strong, continuing the trend seen in 2023. Given our focus on energy infrastructure, infrastructure services and energy transition assets, RCOI is ideally poised to continue to take advantage of the investment opportunity brought about by the convergence of two market phenomena, namely the consistent growing demand for sources of energy and the concurrent need for the global infrastructure industry to meet global "net-zero" targets.

The two realisations and one amendment and extension made during the year have resulted in additional proceeds to distribute to investors. As the commodity market overall remains strong, we are well positioned to continue to provide stable cashflows and an attractive yield. Additionally, despite the recent increase in inflation and rise in interest rates, our floating rate loans are all based on SOFR with floors and don't decline in value as interest rates are likely to rise.

Based on the current unfunded commitments, recent deal activity, and potential new investment opportunities, we anticipate continuing to provide attractive returns and consistent yield in the portfolio in order to optimise shareholder value.

We are cognisant of the forthcoming realisation election in May 2024 and look forward to engaging with shareholders to understand both their intentions to participate and their views regarding the future of the Company. We remind investors that if the Company's remaining Ordinary net asset value falls below \$50m as a result of the election, the Company will amend its investment objectives and policy to adopt a realisation strategy. As always, we remain vigilantly focused on optimising the portfolio to ensure long-term value creation for our shareholders.

BOARD OF DIRECTORS



REUBEN JEFFERY, III

Chairman

Mr. Jeffery has a broad range of financial services experience and in addition brings extensive insight into the US political and regulatory environment. He is chairman of Sumitomo Mitsui Banking Corporation Americas Holdings, Inc. and is a former non-executive director of Barclays PLC. He was previously the President and CEO of Rockefeller Financial Services, Inc. Mr. Jeffery has served in the US government as Under Secretary of State for Economic, Energy and Agricultural Affairs, as Chairman of the Commodity Futures Trading Commission, and as a special assistant to the President on the staff of the National Security Council.

Before his government service, Mr. Jeffery spent 18 years at Goldman Sachs & Co where he was Managing Partner of Goldman Sachs in Paris and led the firm's European Financial Institutions Group in London. Prior to joining Goldman Sachs, Mr. Jeffery was a corporate attorney with Davis Polk & Wardwell.

Mr. Jeffery is a graduate of Yale University and holds an M.B.A. and J.D. from Stanford University.



EMMA DAVIES

Director, Chair of Audit and Risk Committee

Emma is the Chief Investment Officer at the Guy's & St Thomas' Foundation leading the management of their £1bn charitable endowment.

Her previous role was at Octopus Ventures as co-CEO, before which she spent 5 years as a partner at Marylebone Partners, building and leading their direct investing capability. Emma has a wealth of experience, expertise and networks from a range of world class investment houses including J.P. Morgan, Perry Capital, Big Society Capital (where she was the Chief Investment Officer) and The Wellcome Trust. She has a particular interest and focus on ESG, Impact and Responsible Investment considerations.

Emma has an MA from Oxford University and an MSc from LSE.



EDWARD CUMMING-BRUCE

Director, Chair of Nomination Committee

Mr. Cumming-Bruce is the Vice Chairman of Gleacher Shacklock LLP, which he joined in August 2003. Prior to this, he worked for 12 years at Dresdner Kleinwort Wasserstein where he held a number of senior positions including a Co-Head of Global Telecoms Investment Banking, Co-Head of UK Investment Banking and Global Head of Equity Capital Markets.

Mr. Cumming-Bruce has extensive experience advising a range of major European companies on capital markets and restructuring transactions as well as mergers and acquisitions. Prior to Dresdner Kleinwort Wasserstein, he worked at Schroders.

Mr. Cumming-Bruce is a graduate of Oxford University.

REPORT OF THE DIRECTORS

The Directors present their Annual Report and audited financial statements for the Company for the year ended 31 December 2023. The Corporate Governance Report on pages 35 to 42 forms part of this report.

Details of the Directors who held office during the year and as at the date of this report are given on pages 26 to 27.

CAPITAL STRUCTURE

To enable the Company to obtain a certificate to commence business and to exercise its borrowing powers under section 761 CA 2006, on 11 March 2019, 1 E Share of £1 and 50,000 shares of £1 each were allotted to Riverstone Investment Group LLC and paid up in full, as Management Shares. The E Share and Management Shares grant the registered holders the right to receive notice of and to attend but, except where there are no other shares of the Company in issue, not to speak or vote at any general meeting of the Company. The Management Shares were redeemed in full on 28 May 2019. The E Shares are not redeemable.

As at 31 December 2023, the Company's issued share capital comprised 90,805,237 Ordinary Shares (2022: 90,805,237) and 1 E Share (2022: 1). Ordinary Shareholders are entitled to all distributions paid by the Company and, on a winding up, provided the Company has satisfied all of its liabilities, the Shareholders are entitled to all of the surplus assets of the Company.

Ordinary Shareholders are entitled to attend and vote at all general meetings of the Company and, on a poll, to one vote for each Ordinary Share held.

AUTHORITY TO PURCHASE OWN SHARES

The current authority of the Company to make market purchases of its issued share capital expires at the conclusion of the Company's AGM on 22 May 2024. The Company's authority to generally and unconditionally make market purchases (within the meaning of section 693(4) of the Companies Act 2006) of its Ordinary Shares of US\$0.01 each in the capital of the Company, is subject to the following conditions:

- i. the maximum number of Ordinary Shares authorised to be purchased is 13,611,705 representing 14.99 per cent of the Company's issued ordinary share capital as at 29 March 2022;
- ii. the minimum price (excluding expenses) which may be paid for an Ordinary Share is US\$0.01;
- iii. the maximum price (excluding expenses) which may be paid for each Ordinary Share is the higher of:
 - (i) an amount equal to 105 per cent of the average of the middle-market quotations of an Ordinary Share as derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which the Ordinary Share is contracted to be purchased; and
 - (ii) an amount equal to the higher of the price of the last independent trade of an Ordinary Share and the highest current independent bid for an Ordinary Share on the trading venue where the purchase is carried out;
- iv. the authority shall expire at the close of the AGM of the Company held in 2024 or on the date which falls 15 months after 18 May 2022, being the date the resolution was passed, (whichever is earlier); and
- v. a contract to purchase Ordinary Shares under the authority may be made before the expiry of the authority (as per paragraph iv above), and concluded in whole or in part after the expiry of the authority (as per paragraph iv above).

Since IPO, 9,194,763 shares were repurchased for a total cash consideration of US\$6,471,738. The buyback programme was paused on 24 August 2022. More information can be found in note 8 and page 19.

A special resolution was passed at the AGM in May 2023 AGM renewing the authority to purchase shares. The price paid for the shares will not be less than the nominal value or more than the maximum amount permitted to be paid in accordance with the rules of the UK Listing Authority in force at the date of purchase. This power will be exercised only if, in the opinion of the Directors, a repurchase would be in the best interests of Shareholders as a whole. Any shares repurchased under this authority will either be cancelled or held in treasury at the discretion of the Board for future resale in appropriate market conditions.

The Directors believe that the renewal of the Company's authority to purchase shares, as detailed above, is in the best interests of Shareholders as a whole and therefore recommend Shareholders to vote in favour of this special resolution.

MAJOR INTERESTS IN SHARES

Significant shareholdings as at 31 December 2023 are detailed below.

	ORDINARY SHARES HELD % 31 DECEMBER 2023
ND Capital Investments Ltd (Tortola)	11.01
Newton Investment Mgt (London)	10.26
Mirabella Financial Services (London)	9.74
AXA Investment Mgrs (London)	8.34
Alder Investment Mgt (London)	8.26
Almitas Capital (Santa Monica)	7.70
Metage Capital Mgt (London)	4.63
Polar Capital (London)	4.50
Jupiter Asset Mgt (London)	4.41
Brooks Macdonald Asset Mgt (London)	4.08

In addition, the Company also provides the same information as at 31 January 2024, being the most current information available.

	ORDINARY SHARES HELD % 31 JANUARY 2024
ND Capital Investments Ltd (Tortola)	11.01
Newton Investment Mgt (London)	10.26
Mirabella Financial Services (London)	9.74
Alder Investment Mgt (London)	8.26
AXA Investment Mgrs (London)	7.60
Almitas Capital (Santa Monica)	7.42
Metage Capital Mgt (London)	4.63
Polar Capital (London)	4.50
Jupiter Asset Mgt (London)	4.41
Brooks Macdonald Asset Mgt (London)	4.08

COMPANIES ACT 2006 DISCLOSURES

In accordance with Schedule 7 of the Large and Medium Sized Companies and Groups (Accounts and Reports) Regulations 2008, the Directors disclose the following information:

- the Company's capital structure is detailed in note 8 to the financial statements and all Shareholders have the same voting rights in respect of the share capital of the Company, except that the holders of E Shares have no right to speak or vote at any general meeting of the Company, unless there are no other shares of the Company in issue. There are no restrictions on voting rights that the Company is aware of, nor any agreement between holders of securities that result in restrictions on the transfer of securities or on voting rights;
- there exist no securities carrying special rights with regard to the control of the Company;
- the Company does not have an employees' share scheme;
- the rules concerning the appointment and replacement of Directors are contained in the Company's Articles of Association and the Companies Act 2006;
- Ordinary Shareholders are entitled to all dividends paid by the Company;
- there exist no agreements to which the Company is party that may affect its control following a takeover bid;
- there exist no agreements between the Company and its Directors providing for compensation for loss of office that may occur because of a takeover bid; and
- the Directors' responsibilities pursuant to Section 172 of the Companies Act 2006, are as detailed in the Strategic Report.

INVESTMENT TRUST STATUS

The Directors intend at all times to conduct the affairs of the Company so as to enable it to qualify as an investment trust for the purposes of section 1158 of the Corporation Tax Act 2010, as amended and the Investment Trust (Approved Company) (Tax) Regulations 2011. In particular, the Company must not retain in respect of any accounting year or period an amount which is greater than 15 percent of its eligible investment income.

DIVERSITY AND BUSINESS REVIEW

A business review is detailed in the Investment Manager's Report on pages 20 to 25 and the Company's policy on diversity is detailed in the Corporate Governance Report on page 36.

REPORT OF THE DIRECTORS CONTINUED

DIRECTORS' INDEMNITY

Directors' and Officers' liability insurance cover is in place in respect of the Directors. The Company's Articles of Association provide, subject to the provisions of UK legislation, an indemnity for Directors in respect of costs which they may incur relating to the defence of any proceedings brought against them arising out of their positions as Directors, in which they are acquitted or judgement is given in their favour by the Court.

Except for such indemnity provisions in the Company's Articles of Association and in the Directors' letters of appointment, there are no qualifying third-party indemnity provisions in force.

GLOBAL GREENHOUSE GAS EMISSIONS

As an investment trust, the Company's own direct environmental impact is minimal. The Company has no greenhouse gas emissions to report from its operations, nor does it have responsibility for any other emissions producing sources under the Companies Act 2006 (Strategic Report and Directors' Reports) Regulations 2013. For the same reasons as set out above, the Company has performed an assessment and considers itself to be a low energy user under the SECR regulations. The Company, as described in the ESG Report, did undertake a measurement of GHG emissions across the Company's portfolio companies in 2022.

RISKS AND RISK MANAGEMENT

The Company is exposed to financial risks such as price risk, interest rate risk, credit risk and liquidity risk and the management and monitoring of these risks is detailed in note 15 to the Financial Statements.

INDEPENDENT AUDITOR

The Directors will propose the re-appointment of Ernst & Young LLP as the Company's Auditor and resolutions concerning this and the remuneration of the Company's Auditor will be proposed at the AGM.

At the time that this report was approved, so far as each of the Directors is aware:

- there is no relevant audit information of which the Auditor is unaware; and
- they have taken all the steps they ought to have taken to make themselves aware of any audit information and to establish that the Auditor is aware of that information.

ANNUAL REPORT

As disclosed in the Audit and Risk Committee Report on pages 43 to 46, the Audit and Risk Committee has given due consideration that the Annual Report, taken as a whole, is fair, balanced and understandable. Therefore the Board is of the opinion that the Annual Report provides the information necessary for Shareholders to assess the performance, strategy and business model of the Company.

The Board recommends that the Annual Report, the Report of the Directors and the Independent Auditor's Report for the year ended 31 December 2023 are received and adopted by the Shareholders and a resolution concerning this will be proposed at the AGM.

DISTRIBUTION

With respect to the quarter ended 31 December 2023 the Board has recommended a distribution of \$2.3 million, equivalent to 2.5 cents per share, as disclosed in note 14 to the financial statements. This brings the total distribution declared with respect to the year ended 31 December 2023 to 8.5 cents per share.

SUBSEQUENT EVENTS

There have been no significant subsequent events, other than those disclosed in note 18 to the financial statements.

STRATEGIC REPORT

A review of the business and future outlook, going concern statement and the principal and emerging risks and uncertainties of the Company have not been included in this report as they are disclosed in the Strategic Report on pages 6 to 19.

On behalf of the Board



REUBEN JEFFERY, III

Chairman

20 February 2024

DIRECTORS' REMUNERATION REPORT

This report has been prepared by the Directors in accordance with the requirements of the Companies Act 2006 and the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008. A resolution to approve the Directors' Remuneration Report will be proposed at the Company's AGM on 22 May 2024. At the AGM on 18 May 2023, Shareholders voted 98.99 percent in favour to approve the Directors' Remuneration Report for the year ended 31 December 2022.

The Company's Auditor is required to give its opinion on the information provided on Directors' remuneration that is specifically marked as audited on page 32 of this report and this is explained further in its report to Shareholders on pages 47 to 55. The remainder of this report is outside the scope of the external audit.

ANNUAL STATEMENT FROM THE CHAIRMAN OF THE BOARD

The Board, which is profiled on pages 26 to 27, consists solely of non-executive Directors and is considered to be entirely independent. The Board considers at least annually the level of the Board's fees, in accordance with the AIC Code.

REMUNERATION POLICY

As at the date of this report, the Board comprised three Directors, all of whom are non-executive. Due to the size of the Company and the Board, there is not a separate Remuneration Committee. Being wholly comprised of non-executive Directors, the whole Board considers these matters.

Each Director receives a fixed fee per annum based on their roles and responsibilities within the Company and the time commitment required. It is not considered appropriate that Directors' remuneration should be performance related and none of the Directors are eligible for pension benefits, share options, long term incentive schemes or other benefits in respect of their services as non-executive Directors of the Company.

The maximum annual limit of aggregate fees payable to the Directors was set at the time of the Company's incorporation on 11 March 2019 at £500,000 per annum. The Chairman is entitled to an additional fee of £10,000 per annum and the Audit and Risk Committee Chair is entitled to an additional fee of £5,000 per annum. The Board may grant special remuneration to any Director who performs any special or extra services to, or at, the request of the Company.

The Articles of Association provide that all Directors at the date of the notice covering each AGM shall retire from office and each Director may offer themselves for re-election, in accordance with corporate governance best practice.

All of the Directors have been provided with letters of appointment, subject to re-election by Shareholders.

A Director's appointment may at any time be terminated by and at the discretion of either party upon written notice. A Director's appointment will automatically end without any right to compensation whatsoever if they are not re-elected by the Shareholders. A Director's appointment may also be terminated with immediate effect and without compensation in certain other circumstances. Being non-executive Directors, none of the Directors has a service contract with the Company.

The Company's Remuneration Policy was approved at its third AGM on 18 May 2023, with Shareholders voting 99.89 percent in favour and 0.11 percent of votes against. The terms and conditions of appointment of non-executive Directors are available for inspection from the Company's registered office.

DIRECTORS' REMUNERATION REPORT CONTINUED**ANNUAL REPORT ON REMUNERATION (AUDITED INFORMATION)**

The table below shows all remuneration earned by each individual Director during the year:

	PAID IN THE YEAR TO 31 DECEMBER 2023 \$	CHANGE FROM PRIOR YEAR %	PAID IN THE YEAR TO 31 DECEMBER 2022 \$
Reuben Jeffery, III (Chairman) – £45k p.a.	56,097	1%	55,400
Emma Davies (Audit & Risk Committee Chair) – £40k p.a.	49,864	1%	49,245
Edward Cumming-Bruce (Nomination Committee Chair) – £35k p.a.	43,630	1%	43,089
Total	149,591		147,734

The Directors total annual remuneration has not changed from prior year. The percent change detailed above is directly related to foreign exchange rate movements in USD, as the Directors are paid in GBP.

The table below (audited information) shows the change in total remuneration earned by each individual Director over prior years:

	2023 % CHANGE FROM PRIOR YEAR	2022 % CHANGE FROM PRIOR YEAR	2021 % CHANGE FROM PRIOR YEAR	2020 % CHANGE FROM PRIOR YEAR
Reuben Jeffery, III (Chairman) – £45k p.a.	1%	-10%	8%	32%
Emma Davies (Audit & Risk Committee Chair) – £40k p.a.	1%	-10%	8%	32%
Edward Cumming-Bruce (Nomination Committee Chair) – £35k p.a.	1%	-10%	8%	32%

Amounts paid to Directors as reimbursement of travel and other incidental expenses during the year were:

	PAID IN THE YEAR TO 31 DECEMBER 2023 \$	CHANGE FROM PRIOR YEAR %	PAID IN THE YEAR TO 31 DECEMBER 2022 \$
Reuben Jeffery, III	10,541	-67%	31,524
Emma Davies	–	–	–
Edward Cumming-Bruce	–	–	–
Total	10,541		31,524

None of the Directors received any other remuneration or additional discretionary payments during the year from the Company (2022: \$Nil).

DIRECTORS' INTERESTS (AUDITED INFORMATION)

Directors who held office during the year and had interests in the Ordinary Shares of the Company as at 31 December 2023 are given in the table below. There were no changes to the interests of each Director as at the date of this report.

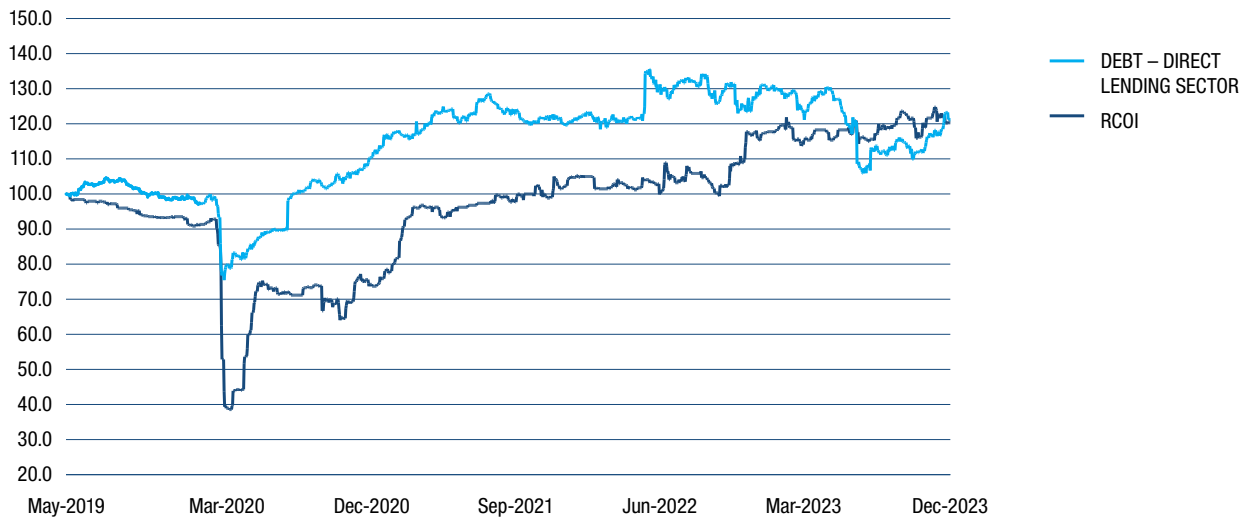
	ORDINARY SHARES OF \$0.01 EACH HELD AT 31 DECEMBER 2023	ORDINARY SHARES OF \$0.01 EACH HELD AT 31 DECEMBER 2022
Reuben Jeffery, III	100,000	100,000
Emma Davies	45,000	45,000
Edward Cumming-Bruce	50,000	50,000

RELATIVE IMPORTANCE OF SPEND ON PAY

The remuneration of the Directors with respect to the year totalled \$149,591 (2022: \$147,734) in comparison to distributions paid or declared to Shareholders with respect to the year of \$7.7 million (2022: \$8.2 million).

COMPANY PERFORMANCE

The graph below compares the total return to Shareholders compared to the AIC Investment Trust Direct Lending sector index, which is not sector specific to energy. The performance of the AIC Investment Trust Direct Lending sector index is shown as a market reference for investors. The Company is primarily involved in making senior secured loans to energy-related companies through its SPVs. Comparable peers making debt investments also use direct lending indexes for benchmarking purposes and so the AIC Investment Trust Direct Lending sector index is chosen for benchmarking purposes.



On behalf of the Board

REUBEN JEFFERY, III
Chairman
20 February 2024

DIRECTORS' RESPONSIBILITIES STATEMENT

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the Company financial statements in accordance with UK-adopted IAS. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss for the Company for that year.

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

- select suitable accounting policies in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with UK-adopted IAS, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business; and
- prepare a Report of the Directors, a Strategic Report and Directors' Remuneration Report which comply with the requirements of the Companies Act 2006.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Directors are responsible for ensuring that the Annual Report, taken as a whole, is fair, balanced and understandable and provides the information necessary for Shareholders to assess the Company's performance, business model and strategy

WEBSITE PUBLICATION

The Directors are responsible for ensuring the Annual Report and the financial statements are made available on a website. Financial statements are published on the Company's website in accordance with legislation in the UK governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Company's website is the responsibility of the Directors. The Directors' responsibilities also extend to the ongoing integrity of the financial statements contained therein.

DIRECTORS' RESPONSIBILITIES PURSUANT TO DTR4.1

The Directors confirm that to the best of their knowledge:

- the Company's financial statements have been prepared in accordance with UK-adopted IAS and give a true and fair view of the assets, liabilities, financial position and profit and loss of the Company; and
- the Annual Report includes a fair review of the development and performance of the business and the financial position of the Company, together with a description of the principal and emerging risks and uncertainties that they face.

On behalf of the Board



REUBEN JEFFERY, III
Chairman
20 February 2024

CORPORATE GOVERNANCE REPORT

This Corporate Governance Report forms part of the Report of the Directors as further disclosed on pages 28 to 30. The Board operates under a framework for corporate governance which is appropriate for an investment company.

The Company is not required to comply with the UK Listing Rules, however as a matter of good corporate governance, the Company voluntarily complies with the provisions of the Listing Rules applicable to closed-ended investment companies.

The Company became a member of the AIC with effect from 28 May 2019 and has therefore put in place arrangements to comply with the AIC Code and, in accordance with the AIC Code, complies with the UK Code.

The AIC Code and the AIC Guide are available on the AIC's website, <https://www.theaic.co.uk>.

The AIC Code, as explained by the AIC Guide, addresses all the principles set out in the UK Code, as well as setting out additional principles and recommendations on issues that are of specific relevance to investment companies such as the Company. The Board considers that reporting against the principles and recommendations of the AIC Code, by reference to the AIC Guide, provides better information to Shareholders. The UK Code is available on the Financial Reporting Council's website, <https://www.frc.org.uk>.

The Company has complied with the recommendations of the AIC Code and the relevant provisions of the UK Code, except as set out below.

The UK Code includes provisions relating to:

- the role of the chief executive;
- executive directors' remuneration; and
- the need for an internal audit function.

For the reasons set out in the AIC Guide, and as explained in the UK Code, the Board considers that the above provisions are not currently relevant to the position of the Company, being an externally managed investment company, which delegates most day-to-day functions to third parties.

The Company does not have a chief executive or any executive directors. The Company has not established a separate remuneration committee as the Company has no executive officers, nor has it established a Senior Independent Director due to the size of the Board and the Company. The Board is satisfied that any relevant issues that arise can be properly considered by the Board.

The Company has no employees or internal operations and has therefore not reported further in respect of these provisions. The need for an internal audit function is discussed in the Audit and Risk Committee Report.

THE BOARD

The Company is led and controlled by a Board of Directors, which is collectively responsible for the long-term success of the Company. It does so by creating and preserving value, and has as its foremost principle, acting in the interests of Shareholders, whilst having regard to the interests of wider society.

The Company believes that the composition of the Board is a fundamental driver of its success, as the Board must provide strong and effective leadership of the Company. The current Board was selected, as their biographies illustrate, to bring a breadth of knowledge, skills and business experience to the Company. The non-executive Directors provide independent challenge and review, bringing wide experience, specific expertise and a fresh objective perspective.

As at the date of this report, the Board consists of three non-executive Directors, all of whom are independent of the Company's Investment Manager. All Directors were appointed on 2 April 2019 and served throughout the year. The AIC Code requires that Directors be subject to an annual election by Shareholders, and the Directors comply with this requirement. All of the Directors, including the Chairman, shall offer themselves for re-election at the forthcoming AGM. The strong and diverse mix of experienced individuals on the current Board enables high calibre debate and constructive challenge. Having considered their effectiveness, demonstration of commitment to the role, length of service, attendance at meetings and contribution to the Board's deliberations, the Board approves the nomination for re-election of all of the Directors.

At each subsequent AGM of the Company, each of the Directors at the date of the notice convening the AGM shall retire from office and may offer themselves for election or re-election by the Shareholders, in accordance with corporate governance best practice.

CORPORATE GOVERNANCE REPORT CONTINUED

The Chairman of the Board is independent and is appointed in accordance with the Company's Articles of Incorporation. Mr. Jeffery is considered to be independent because he:

- has no current or historical employment with the Investment Manager;
- has no current directorships or partnerships in any other investment funds managed by the Investment Manager; and
- is not an executive of a self-managed company or an ex-employee who has left the executive team of a self-managed company within the last five years.

The Board meets at least four times a year for regular, scheduled meetings and should the nature of the activity of the Company require it, additional meetings may be held, some at short notice. At each meeting, the Board follows a formal agenda that covers the business to be discussed. The Company Secretary assists the Board and Committee Chairs in agreeing the agenda in sufficient time before the meeting to enable input from key stakeholders. Care is taken to ensure that presentation of papers are clear with the appropriate level of detail to assist the Board and Committees in discharging their duties. The Board utilises a web-based system which provides ready access to Board and Committee papers and materials. The primary focus at Board meetings is a review of investment performance and associated matters such as asset allocation, share price discount/premium management, investor relations, peer group information, gearing, industry issues and principal and emerging risks and uncertainties in particular those identified in the Strategic Report on pages 6 to 19.

The Board may request to be supplied in a timely manner with information by the Investment Manager, Administrator, Company Secretary and other advisers in a form and of a quality to enable it to discharge its duties.

The Company has adopted a share dealing code based on the requirements of the UK Market Abuse Regulation for the Board and will seek to ensure compliance by the Board and relevant personnel of the Investment Manager and other third party service providers with the terms of the share dealing code.

The Board also considers whether the Company has inside information and if an announcement obligation has arisen. The Board reviews the scope and content of disclosures in order to ensure that information released to the market by the Company is appropriate. It is responsible for reviewing the systems, procedures and controls in place to enable the Company to comply with its legal and regulatory obligations in relation to inside information.

The Board is also responsible for reviewing and considering any actual or potential conflicts of interest referred to it in accordance with the Company's conflicts of interest policy and approving any such conflicts. At least annually, the Board reviews the adequacy of disclosure to Shareholders regarding potential conflicts of interest and the effectiveness of the Company's conflicts of interest policy. In addition, the Board is responsible for reviewing and approving any related party transactions. Other key matters requiring Board approval include capital structure, the Company's distribution policy and changes to the Investment Policy.

In the performance of its duties, the Board is committed to maintaining a good understanding of the views of Shareholders and considerable importance is attached to communicating with Shareholders.

THE CULTURE

The Board discussed the Company's culture over the course of the year. It was agreed that the Company's culture is built around that of the Investment Manager, with a focus on long lasting relationships with a diverse investor base; sustainable investment excellence; and a world class team demonstrating extensive industry knowledge.

The Board continues to operate in a respectful, transparent and inclusive manner, where constructive challenge of opinions is welcomed and differences of perspectives are encouraged. The Board also undertakes continued engagement with the Investment Manager and other advisors to ensure that practices and behaviour throughout the business are aligned with the Company's purpose and strategy.

The Board will continue to monitor the Company's culture on an annual basis through continued engagement with Shareholders and management.

DIVERSITY POLICY

The Board monitors developments in corporate governance to ensure the Board remains aligned with best practice especially with respect to the increased focus on diversity. The Board acknowledges the importance of diversity, (including gender, social and ethnic backgrounds and cognitive and personal strengths) for the effective functioning of the Board and commits to supporting diversity in the boardroom. It is the Board's ongoing aspiration to have a well-diversified representation. The Board also values diversity of business skills and experience because Directors with diverse skills sets, capabilities and experience gained from different geographical backgrounds enhance the Board by bringing a wide range of perspectives to the Company.

The Board recognises the importance of an inclusive and diverse Board in facilitating a collaborative culture and enhancing the delivery of the Company's strategic objectives. The Board will continue to monitor and actively work on ensuring that it maintains and nurtures a Board that is as diverse as possible. This baseline representation and understanding will help inform the development of future initiatives on diversity and inclusion.

As at the date of this report, the Board comprised two men and one woman, all non-executive Directors who are considered to be independent of the Investment Manager and free from any business or other relationship that could materially interfere with the exercise of their independent judgement.

The Investment Manager has a diverse employee base and continues to dedicate recruitment resources to increasing diversity across all positions and levels.

BOARD TENURE AND RE-ELECTION

As the Company was incorporated on 11 March 2019, there are no issues to be considered by the Board with respect to long tenure. In accordance with the AIC Code, in the event that any Director, including the Chairman, shall have been in office (or on re-election would have been at the end of that term of office) for more than nine years, the Company will consider further whether there is a risk that such a Director might reasonably be deemed to have lost independence through such long service. The Board will consider its composition and succession planning on an ongoing basis. All Directors will stand for annual re-election at each AGM. In accordance with the AIC Code, the Board recognises that Directors serving nine years or more may appear to have their independence impaired. However, the Board may nonetheless consider Directors to remain independent and will provide a clear explanation within future Annual Reports and financial statements as to its reasoning. A Director who retires at an AGM may, if willing to continue to act, be elected or re-elected at that meeting. If, at a general meeting at which a Director retires, the Company neither re-elects that Director nor appoints another person to the Board in the place of that Director, the retiring Director shall, if willing to act, be deemed to have been re-elected unless at the general meeting it is resolved not to fill the vacancy or unless a resolution for the re-election of the Director is put to the meeting and not passed. Directors are appointed under letters of appointment.

The Board will consider its composition and succession planning on an ongoing basis.

The Board recommends that Shareholders vote in favour of the re-election of all Directors at the upcoming AGM of the Company.

Duties and Responsibilities

The Board has overall responsibility for the Company's activities, including reviewing its investment activity, performance, business conduct and policy. The Directors also review and supervise the Company's delegates and service providers, including the Investment Manager.

The Directors may delegate certain functions to other parties. In particular, the Directors have delegated responsibility for management of the Company's portfolio of investments to the Investment Manager.

The Board retains direct responsibility for certain matters, including (but not limited to):

- approving the Company's long-term objective and any decisions of a strategic nature including any change in investment objective, policy and restrictions, including those which may need to be submitted to Shareholders for approval;
- reviewing the performance of the Company in light of the Company's strategic objectives and budgets ensuring that any necessary corrective action is taken;
- ensuring appropriate internal controls and risk management frameworks are in place to manage and continually assess risk;
- appointing, overall supervision and removal of key service providers and any material amendments to the agreements or contractual arrangements with any key delegates or service providers;
- approving quarterly distributions and the Company's distribution policy;
- approving any transactions with 'related parties' for the purposes of the Company's voluntary compliance with the applicable sections of the UK Listing Rules;
- reviewing the Company's valuation policy and proposed valuations of its investments;
- reviewing the Company's corporate governance arrangements;
- providing constructive challenge and strategic guidance and offering specialist advice; and
- approving any actual or potential conflicts of interest.

CORPORATE GOVERNANCE REPORT CONTINUED

The Directors have access to the advice and services of the Administrator, who is responsible to the Board for ensuring that Board procedures are followed and that it complies with applicable law and regulations of the LSE. Where necessary, in carrying out their duties, the Directors may seek independent professional advice and services at the expense of the Company. The Company maintains Directors' and Officers' liability insurance in respect of legal action against its Directors on an ongoing basis.

The Board's responsibilities for the Annual Report are set out in the Directors' Responsibilities Statement. The Board has responsibility for ensuring that the Company keeps proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and which enable it to ensure that the financial statements comply with applicable regulations. It is the Board's responsibility to present a fair, balanced and understandable Annual Report, which provides the information necessary for Shareholders to assess the performance, strategy and business model of the Company. This responsibility extends to the half-yearly financial reports, quarterly portfolio valuations and other price-sensitive public reports.

DIRECTORS' ATTENDANCE AT BOARD AND COMMITTEE MEETINGS

One of the key criteria the Company uses when selecting non-executive Directors is their confirmation prior to their appointment that they will be able to allocate sufficient time to the Company to discharge their responsibilities in a timely and effective manner.

The Board formally met 8 times during the year.

Directors are encouraged when they are unable to attend a meeting to give the Chairman their views and comments on matters to be discussed, in advance. In addition to their meeting commitments, the non-executive Directors also liaise with the Investment Manager whenever required and there is regular contact outside the Board meeting schedule.

The number of meetings of the full Board and Committees in the period year to 31 December 2023 and attendance by each Director is set out below:

Director	BOARD MEETINGS (MAX 10)		AUDIT AND RISK COMMITTEE MEETINGS (MAX 4)		NOMINATION COMMITTEE MEETINGS (MAX 1)		MANAGEMENT ENGAGEMENT COMMITTEE MEETINGS (MAX 1)		TENURE AS AT 31 DECEMBER 2023
	A	B	A	B	A	B	A	B	
Reuben Jeffery, III	8	8	4	4	1	1	1	1	4 years 9 months
Emma Davies	8	8	4	4	1	1	1	1	4 years 9 months
Edward Cumming-Bruce	8	7	4	3	1	1	1	0	4 years 9 months

Column A: indicated the number of meetings held during the year.

Column B: indicates the number of meetings attended by the Director during the year.

A quorum is comprised of any two or more members of the Board from time to time, to perform administrative and other routine functions on behalf of the Board, subject to such limitations as the Board may expressly impose on this committee from time to time.

COMMITTEES OF THE BOARD

The Board believes that it and its committees have an appropriate composition and blend of skills, experience, independence and diversity of backgrounds to discharge their duties and responsibilities effectively. The Board is of the view that no one individual or small group dominates decision-making. The Board keeps its membership, and that of its committees, under review to ensure that an acceptable balance is maintained, and that the collective skills and experience of its members continue to be refreshed. It is satisfied that all Directors have sufficient time to devote to their roles and that undue reliance is not placed on any individual.

The Board has three standing Committees, being the Audit and Risk Committee, the Nomination Committee and the Management Engagement Committee. The roles and responsibilities of each Committee are included in their respective paragraphs below. Each committee of the Board has written terms of reference, approved by the Board, summarising its objectives, remit and powers, which are available on the Company's website and reviewed on an annual basis. All committee members are provided with appropriate induction on joining their respective committees, as well as on-going access to training. Minutes of all meetings of the committees are made available to all Directors and feedback from each of the committees is provided to the Board by the respective committee Chairman at the next Board meeting. The Chairman of each committee attends the AGM to answer any questions on their committee's activities.

The Board and its committees are supplied with regular, comprehensive and timely information in a form and of a quality that enables them to discharge their duties effectively. All Directors are able to make further enquiries of management whenever necessary, and have access to the services of the Company Secretary.

Audit and Risk Committee

The Audit and Risk Committee is chaired by Ms. Davies and comprises all the non-executive Directors. The Audit and Risk Committee, the Investment Manager, the Administrator and the external auditor, Ernst & Young LLP, have held discussions regarding the audit approach and identified risks. The external auditor attends Audit and Risk Committee meetings and a separate private meeting is also held routinely to afford them the opportunity of discussions without the presence of management. The Audit and Risk Committee activities are contained in the Report of the Audit and Risk Committee on pages 43 to 46.

The Company's Audit and Risk Committee, among other things, considers the appointment, independence and remuneration of the independent auditors and reviews the financial statements and accounting policies. The principal

duties of the Audit and Risk Committee are to consider the appointment of the independent auditors, to discuss and agree with the independent auditors the nature and scope of the audit, to keep under review the scope, results, quality and effectiveness of the audit and the independence and objectivity of the independent auditors, and to review the independent auditors' letter of engagement, Audit Planning Report and Audit Results Report. The Audit and Risk Committee also monitors and reviews the adequacy and effectiveness of internal control and risk management systems and advises the Board on the Company's overall risk appetite. The Audit and Risk Committee meets at least three times a year.

Nomination Committee

The Nomination Committee meets at least once a year pursuant to its terms of reference. The Nomination Committee is chaired by Mr. Cumming-Bruce and comprises all of the non-executive Directors.

The Nomination Committee is convened for the purpose of considering the appointment of additional Directors as and when considered appropriate. The Nomination Committee recognises the continuing importance of planning for the future and ensuring that succession plans are in place. With regard to Board appointments, the Nomination Committee prepares specifications of the roles and responsibilities, including expected time commitments, and consideration is given to the existing experience, knowledge and background of current Board members, as well as the strategic and business objectives of the Company. The Committee would then use open advertising and/or an external search consultancy to facilitate recruitment. In considering appointments to the Board, the Nomination Committee will take into account the ongoing requirements of the Company and evaluate the balance of skills, experience, independence, and knowledge of each candidate while promoting diversity of gender, and of social and ethnic background. Therefore, appointments will be made on personal merit and against objective criteria with the aim of bringing new skills and different perspectives to the Board whilst taking into account the existing balance of knowledge, experience and diversity.

In the case of candidates for non-executive directorships, care will be taken to ascertain that they have sufficient time to fulfil their Board and, where relevant, committee responsibilities. The Board believes that the terms of reference of the Nomination Committee ensure that it operates in a rigorous and transparent manner. The Board believes that, as a whole, it comprises an appropriate balance of skills, experience and knowledge. The Board also believes that diversity of experience and approach, including gender diversity, amongst Board members is of great importance and it is the Company's policy to give careful consideration to issues of Board balance and diversity when making new appointments.

CORPORATE GOVERNANCE REPORT CONTINUED

The Nomination Committee has reviewed the composition, structure and diversity of the Board, succession planning, the independence of the Directors and whether each of the Directors has sufficient time available to discharge their duties effectively. The Committee and the Board confirm that they believe that the Board has an appropriate mix of skills and backgrounds and was selected with that in mind, that a majority of Directors should be considered as independent in accordance with the provisions of the AIC Code and that all Directors have the time available to discharge their duties effectively.

Accordingly, the Board recommends that Shareholders vote in favour of the election of all Directors at the upcoming AGM of the Company.

Management Engagement Committee

The Management Engagement Committee is chaired by Mr. Jeffery and comprises all of the non-executive Directors. The Management Engagement Committee meets at least once a year pursuant to its terms of reference.

The Management Engagement Committee provides a formal mechanism for the review of the performance of the Investment Manager and the Company's other advisers and service providers. It carries out this review through consideration of a number of objective and subjective criteria and through a review of the terms and conditions of the advisers' appointments with the aim of evaluating performance, identifying any weaknesses and ensuring value for money for the Shareholders. On 1 November 2022, the Management Engagement Committee formally reviewed the performance of the Investment Manager and other service providers and confirmed that performance had been satisfactory to date.

Remuneration Committee

The AIC Code recommends that companies appoint a Remuneration Committee, however the Board has not deemed this necessary, as being wholly comprised of non-executive Directors, the whole Board considers these matters.

BOARD PERFORMANCE AND EVALUATION

In accordance with Provision 26 of the AIC Code, the Board is required to undertake a formal and rigorous evaluation of its performance on an annual basis. Such an evaluation of the performance of the Board as whole, the Audit and Risk Committee, the Nomination Committee, the Management Engagement Committee, individual Directors and the Chairman is carried out under the mandate of the Nomination Committee. The Board believes that the current mix of skills, experience, knowledge and age of the Directors is appropriate to the requirements of the Company.

On 16 February 2022, the Management Engagement Committee conducted an internal evaluation of the Board, the Audit and Risk Committee and individual Directors. This was in the form of performance appraisal, questionnaires and discussion to determine effectiveness and performance in various areas, as well as the Directors' continued independence and tenure. This process was facilitated by the Company Secretary. The review concluded that the overall performance of the Board and Audit and Risk Committee was satisfactory and the Board was confident in its ability to continue to govern the Company effectively.

New Directors receive an induction on joining the Board and regularly meet with the senior management employed by the Investment Manager both formally and informally to ensure that the Board remains regularly updated on all issues. All members of the Board are members of professional bodies and serve on other Boards, which ensures they are kept abreast of the latest technical developments in their areas of expertise.

The Board arranges for presentations from the Investment Manager, the Company's brokers and other advisers on matters relevant to the Company's business. The Board will assess the training needs of Directors on an annual basis.

INTERNAL CONTROL AND FINANCIAL REPORTING

The Directors acknowledge that they are responsible for establishing and maintaining the Company's system of internal control and reviewing its effectiveness. Internal control systems are designed to manage rather than eliminate the failure to achieve business objectives and can only provide reasonable but not absolute assurance against material misstatements or loss. However, the Board's objective is to ensure that the Company has appropriate systems in place for the identification and management of risks. The Directors carry out a robust assessment of the principal and emerging risks facing the Company, including those that would threaten its business model, future performance, solvency or liquidity. As further explained in the Audit and Risk Committee Report, the risks of the Company are outlined in a risk matrix which was reviewed and updated during the year.

The Board continually reviews its policy setting and updates the risk matrix at least quarterly to ensure that procedures are in place with the intention of identifying, mitigating and minimising the impact of risks should they crystallise.

The key procedures which have been established to provide internal control are that:

- the Board has delegated the day-to-day operations of the Company to the Administrator and Investment Manager; however, it retains accountability for all functions it delegates;
- the Board clearly defines the duties and responsibilities of the Company's agents and advisers and appointments are made by the Board after due and careful consideration. The Board monitors the ongoing performance of such agents and advisers and will continue to do so through the Management Engagement Committee;
- the Board monitors the actions of the Investment Manager at regular Board meetings and is given frequent updates on developments arising from the operations and strategic direction of the underlying investee companies;
- the Administrator provides administration and company secretarial services to the Company;
- The Administrator maintains a system of internal control on which they report to the Board;
- the Audit and Risk Committee monitors risks, including those of the Administrator and Investment Manager; and
- the Board has reviewed the need for an internal audit function and has decided that the systems and procedures employed by the Administrator and Investment Manager, including their own internal controls and procedures, provide sufficient assurance that an appropriate level of risk management and internal control, which safeguards Shareholders' investments and the Company's assets, is maintained. An internal audit function specific to the Company is therefore considered unnecessary.

Internal controls over financial reporting are designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external reporting purposes. The Administrator and Investment Manager both operate risk controlled frameworks on an ongoing basis within a regulated environment. The Administrator formally reports to the Board quarterly through a compliance report and holds the International Standard on Assurance Engagements (ISAE) 3402 Type 2 certification. This entails an independent rigorous examination and testing of their controls and processes. The Investment Manager formally reports to the Board quarterly including updates within Riverstone and also engages with the Board on an ad-hoc basis as required. No weaknesses or failings within the Administrator or Investment Manager have been identified.

The systems of control referred to above are designed to ensure effectiveness and efficient operation, internal control and compliance with laws and regulations. In establishing the systems of internal control, regard is paid to the materiality of relevant risks, the likelihood of costs being incurred and costs of control. It follows therefore that the systems of internal control can only provide reasonable but not absolute assurance against the risk of material misstatement or loss. This process has been in place for the year under review and up to the date of approval of this Annual Report and financial statements. It is reviewed by the Board and is in accordance with the FRC's internal control publication: Guidance on Risk Management, Internal Control and Related Financial and Business Reporting.

INVESTMENT MANAGEMENT AGREEMENT

The Investment Manager has been appointed as the sole investment manager of the Company and the SPVs. Pursuant to the Investment Management Agreement, the Investment Manager has responsibility for and discretion over investing and managing the Company's and the SPVs' direct and indirect assets, subject to, and in accordance with, the Company's investment policy. The Investment Manager is entitled to delegate all or part of its functions under the Investment Management Agreement to one or more of its affiliates. A summary of fees paid to the Investment Manager is given in note 12 to the financial statements.

The Investment Manager's appointment is terminable by the Investment Manager or the Company on not less than 12 months' notice, and such notice is not to expire prior to the third anniversary of Admission. The Investment Management Agreement may be terminated with immediate effect and without compensation, by either the Investment Manager or the Company if the other party has gone into liquidation, administration or receivership or has committed a material breach of the Investment Management Agreement.

The Company has delegated the provision of all services to external service providers whose work is overseen by the Management Engagement Committee at its regular scheduled meetings. Each year, a detailed review of performance pursuant to their terms of engagement is undertaken by the Management Engagement Committee.

The Board as a whole reviewed the Company's compliance with the UK Code, the Listing Rules, the Disclosure Guidance and Transparency Rules and the AIC Code. In accordance with Listing Rule 15.6.2(2)R and having formally appraised the performance and resources of the Investment Manager, in the opinion of the Directors, the continuing appointment of the Investment Manager on the terms agreed is in the interests of the Shareholders as a whole. The Board is pleased with the performance of the Investment Manager, based on the selection of high-quality E&P, midstream, energy services, solar, lithium-ion, power and coal sectors.

CORPORATE GOVERNANCE REPORT CONTINUED

SUB-MANAGEMENT AGREEMENT

On 31 December 2023, Riverstone Holdings LLC and their affiliate Riverstone Investment Group (collectively, “Riverstone”) entered into an agreement with Breakwall Capital LP to provide sub-management services for all credit vehicles managed by Riverstone, including RCOI. Breakwall is a newly formed independent asset-management firm regulated by the SEC as a Registered Investment Advisor, owned and operated by the existing Riverstone Credit Partners team. Services provided by Breakwall commenced on 31 December 2023.

Under the arrangement, Riverstone will remain the Investment Manager of RCOI on the terms of RCOI's existing management agreement and all aspects of the ongoing management of the Company, including the day-to-day investment team, will remain consistent. Breakwall, as Sub-Manager, will be leading any new investments. In its capacity as Sub-Manager to the Manager, the Sub-Manager shall recommend to the Manager each and every action to be taken by the Manager pursuant to the governing agreements of the Existing Credit Vehicles. There will be no increase in fees payable by RCOI as a result of the modified arrangements. The Board of RCOI has been involved and are confident that the structure of Riverstone as manager and Breakwall as the future sub-manager will continue to deliver strong returns for shareholders.

RELATIONS WITH SHAREHOLDERS

The Board welcomes Shareholders' views and places great importance on communication with its Shareholders. The Company's AGM provides a forum for Shareholders to meet and discuss issues with the Directors of the Company. The Chairman and other Directors are also available to meet with Shareholders at the AGM to hear their views and discuss any issues or concerns, including in relation to Board composition, governance and strategy, or at other times, if required.

The Company reports formally to Shareholders in a number of ways; regulatory news releases through the London Stock Exchange's Regulatory News Service, announcements are issued in response to events or routine reporting obligations. Also, an Interim Report is published each year outlining performance to 30 June and the Annual Report is published each 31 December year-end, both of which are available on the Company's website. In addition, the Company's website contains comprehensive information, including Company notifications, share information, financial reports, investment objectives and policy, investor contacts and information on the Board and corporate governance. Shareholders and other interested parties can subscribe to email news updates by registering online on the website.

The Directors and Investment Manager receive informal feedback from analysts and investors, which is presented to the Board by the Company's Broker. The Company Secretary also receives informal

feedback via queries submitted through the Company's website and these are addressed by the Board, the Investment Manager or the Company Secretary, where applicable.

OTHER STAKEHOLDERS

The wider stakeholders of the Company comprise its service providers, investee companies and suppliers and the Board recognises and values these stakeholders.

As an investment trust with no employees, the Company's relationship with its service providers, including the Investment Manager, is of particular importance. Service providers have been selected and engaged based on due diligence and references including consideration of their internal controls and expertise. The Company has established a Management Engagement Committee, who review the performance of each service provider annually and provide feedback as appropriate, to maintain good working relationships.

The Company's investment helps to ensure that the investee companies have the resources to perform well, which helps to drive the local economies in which these companies are located. Responsible investing principles have been applied to each of the investments made, which ensures that appropriate due diligence has been conducted and that the terms of the investments are clearly set out and agreed with investee companies in advance.

The Board recognises that relationships with suppliers are enhanced by prompt payment and the Company's Administrator, in conjunction with the Investment Manager, ensures all payments are processed within the contractual terms agreed with the individual suppliers.

WHISTLEBLOWING

The Board has considered arrangements by which staff of the Investment Manager or Administrator may, in confidence, raise concerns within their respective organisations about possible improprieties in matters of financial reporting or other matters. It has concluded that adequate arrangements are in place for the proportionate and independent investigation of such matters and, where necessary, for appropriate follow-up action to be taken within their organisation.

On behalf of the Board



REUBEN JEFFERY, III
Chairman
20 February 2024

AUDIT AND RISK COMMITTEE REPORT

The Audit and Risk Committee, chaired by Ms. Emma Davies, operates within clearly defined terms of reference, which are available from the Company's website, and include all matters indicated by Disclosure Guidance and Transparency Rule 7.1, the AIC Code and the UK Code.

Its other members are Mr. Reuben Jeffery, III and Mr. Edward Cumming-Bruce. Members of the Audit and Risk Committee must be independent of the Company's external auditor and Investment Manager. Although Mr. Reuben Jeffery, III is Chairman of the Company, the Board believes that it is appropriate for him to be a member of the Audit and Risk Committee, given the size of the Company's Board. The Audit and Risk Committee meets no less than three times in a year, and at such other times as the Audit and Risk Committee Chair requires, and meets the external auditor at least once a year.

The Committee members have considerable financial and business experience and the Board has determined that the membership as a whole has sufficient recent and relevant sector and financial experience to discharge its responsibilities and that at least one member has competence in accounting or auditing.

RESPONSIBILITIES

The main duties of the Audit and Risk Committee are to:

- monitor the integrity of the Company's financial statements and regulatory announcements relating to its financial performance and review significant financial reporting judgements;
- report to the Board on the appropriateness of the Company's accounting policies and practices;
- consider the ongoing assessment of the Company as a going concern and assessment of longer-term viability;
- review the valuations of the Company's investments prepared by the Investment Manager, and provide a recommendation to the Board on the valuation of the Company's investments;
- oversee the relationship with the external auditor, including agreeing its remuneration and terms of engagement, review its reporting, monitoring its independence, objectivity and effectiveness, ensuring that any non-audit services are appropriately considered, and making recommendations to the Board on its appointment, re-appointment or removal, for it to put to the Shareholders in general meeting;
- monitor and consider annually whether there is a need for the Company to have its own internal audit function;
- keep under review the effectiveness of the Company's internal controls, including financial controls and risk management systems;
- review and consider the UK Code, the AIC Code, and the AIC Guidance on Audit Committees; and
- report to the Board on how it has discharged its responsibilities.

The Audit and Risk Committee is aware that certain sections of the Annual Report are not subject to formal statutory audit, including the Chairman's Statement, the Investment Manager's Report and certain sections of the Directors' Remuneration Report. Financial information in these sections is reviewed by the Audit and Risk Committee.

The Audit and Risk Committee is required to report its findings to the Board, identifying any matters on which it considers that action or improvement is needed, and make recommendations on the steps to be taken.

The external auditor was invited to attend the Audit and Risk Committee meetings at which the Annual Report and Interim Financial Report were considered. They have the opportunity to meet with the Committee without representatives of the Investment Manager or Administrator being present at least once per year.

AUDIT AND RISK COMMITTEE REPORT CONTINUED

FINANCIAL REPORTING

The primary role of the Audit and Risk Committee in relation to financial reporting is to review with the Administrator, the Investment Manager and the external auditor and report to the Board on the appropriateness of the Annual Report and financial statements and Interim Financial Report, concentrating on, amongst other matters:

- the quality and acceptability of accounting policies and practices;
- the clarity of the disclosures and compliance with financial reporting standards and relevant financial and governance reporting requirements;
- material areas in which significant judgements have been applied or where there has been discussion with the external auditor including going concern and viability statement;
- whether the Annual Report and financial statements, taken as a whole, is fair, balanced and understandable and provides the information necessary for Shareholders to assess the Company's performance, business model and strategy; and
- any correspondence from regulators in relation to financial reporting.

To aid its review, the Audit and Risk Committee considers reports from the Administrator and the Investment Manager.

MEETINGS

During the year ended 31 December 2023, the Audit and Risk Committee met four times formally and there was ongoing liaison and discussion between the external auditor and the Audit and Risk Committee Chair with regards to the audit approach and the identified risks.

The matters discussed at those meetings include:

- review of the terms of reference of the Audit and Risk Committee for approval by the Board;
- review of the accounting policies and format of the financial statements;
- review and approval of the audit plan of the external auditor;
- discussion and approval of the fee for the external audit;

- detailed review of the valuations of the Company's investment portfolio and recommendation for approval by the Board;
- detailed review of the Interim Report and quarterly portfolio valuations, and recommendation for approval by the Board;
- assessment of the independence of the external auditor;
- assessment of the effectiveness of the external audit process as described on pages 45 to 46; and
- review of the Company's key risks and internal controls.

The Audit and Risk Committee met on 20 February 2024 to review the results of the audit and to consider and approve the Annual Report for the year ended 31 December 2023.

SIGNIFICANT AREAS OF JUDGEMENT CONSIDERED BY THE AUDIT AND RISK COMMITTEE

The Audit and Risk Committee has determined that a key risk of misstatement of the Company's financial statements relates to the valuation of its investments at fair value through profit or loss, in the context of the judgements necessary to evaluate market values of the underlying investments.

In view of the Company's investments and the nature of the assets, no adjustment to the NAV of the investments has been made, as this is deemed equivalent to fair value.

The Audit and Risk Committee reviews, considers and, if thought appropriate, recommends for the purposes of the Company's financial statements, valuations prepared by the Investment Manager in respect of the investments.

As outlined in note 4 to the financial statements, the total carrying value of the investments at fair value through profit or loss at 31 December 2023 was \$94.6 million (2022: \$94.6 million).

On a quarterly basis, the Investment Manager provides a detailed analysis of the NAV. This analysis is considered and challenged by the Audit and Risk Committee and subsequently approved by the Board. The Audit and Risk Committee has satisfied itself that the key estimates and assumptions used in the valuation model are appropriate and that the investments have been measured at fair value.

The valuation for each individual investment held by the SPVs is determined by reference to common industry valuation techniques, including comparable public market valuation, comparable merger and acquisition transaction valuation, and discounted cash flow valuation, as detailed in notes 2 and 4 to the financial statements.

The valuation process and methodology was discussed with the Investment Manager and with the external auditor at the Audit and Risk Committee meetings held on, 9 August 2023 and 20 February 2024. Due to the illiquid and subjective nature of the Company's SPV investments, the Investment Manager uses an independent third-party valuation provider to prepare quarterly valuations and has provided a detailed valuation report to the Company at each quarter.

The external auditor has explained the results of their audit work on valuations in the Independent Auditor's Report on pages 47 to 55. There were no adjustments proposed that were material in the context of the Annual Report and financial statements as a whole.

The Company has no fixed life, but in accordance with its Articles of Association, a Realisation Election will be proposed at its AGM in May 2024 where Shareholders will vote if they want to redesignate their shares on a one for one basis to realisation shares. Having reviewed the Company's financial position, liabilities principal risks and uncertainties, the Audit and Risk Committee recommended to the Directors that it was appropriate for the Directors to prepare the financial statements on the going concern basis, however noting that the upcoming realisation election creates material uncertainty relating to going concern.

RISK MANAGEMENT

The Board is accountable for carrying out a robust assessment of the principal and emerging risks facing the Company, including those threatening its business model, future performance, solvency and liquidity. On behalf of the Board, the Audit and Risk Committee reviews the effectiveness of the Company's risk management processes. The Company's risk assessment process and the way in which significant business risks are managed is a key area of focus for the Audit and Risk Committee. The work of the Audit and Risk Committee was driven primarily by the Company's assessment of its principal risks and uncertainties as set out in the Strategic Report. The Audit and Risk Committee receives reports from the Investment Manager and Administrator on the Company's risk evaluation process and reviews changes to significant risks identified.

INTERNAL AUDIT

The Audit and Risk Committee considers at least once a year whether or not there is a need for an internal audit function. Currently, the Audit and Risk Committee does not consider there to be a need for an internal audit function, given that there are no employees in the Company and all outsourced functions are with parties who have their own internal controls and procedures.

EXTERNAL AUDIT

Ernst & Young LLP has been the Company's external auditor since the Company's incorporation. This is the fifth year of audit.

The external auditor is required to rotate the audit partner every five years. The current Ernst & Young LLP lead audit partner Mike Gaylor started his tenure in 2019 and his current rotation will end with the audit of the 2023 Annual Report and Financial statements. There are no contractual obligations restricting the choice of external auditor and the Company will put the audit services contract out to tender at least every ten years. Under Companies Law, the re-appointment of the external auditor is subject to Shareholder approval at the AGM. The Audit and Risk Committee continues to monitor the performance of the external auditor on an annual basis and considers its independence and objectivity, taking account of appropriate guidelines. In addition, the Committee Chair continues to maintain regular contact with the lead audit partner outside the formal Committee meeting schedule, not only to discuss formal agenda items for upcoming meetings, but also to review any other significant matters.

AUDIT AND RISK COMMITTEE REPORT CONTINUED

The Audit and Risk Committee reviews the scope and results of the audit, its cost effectiveness and the independence and objectivity of the external auditor, with particular regard to the level of any non-audit fees. Notwithstanding such services, the Audit and Risk Committee considers Ernst & Young LLP to be independent of the Company and that the provision of such non-audit services is not a threat to the objectivity and independence of the conduct of the audit.

To further safeguard the objectivity and independence of the external auditor from becoming compromised, the Audit and Risk Committee are aware of the Ethical Standard 2019 that imposes a cap on fees to be charged by a company's external auditor for certain non-audit services at 70 percent of the average statutory audit fees for the previous three years. This precludes Ernst & Young LLP from providing any non-audit services not permissible under the Ethical Standard 2019 which also sets a presumption that Ernst & Young LLP should only be engaged for non-audit services where they are best placed to provide those services, for example the interim review. Note 10 details services provided by Ernst & Young LLP during the year.

To fulfil its responsibility regarding the independence of the external auditor, the Audit and Risk Committee considers:

- discussions with or reports from the external auditor describing its arrangements to identify, report and manage any conflicts of interest; and
- the extent of non-audit services provided by the external auditor.

To assess the effectiveness of the external auditor, the committee reviews:

- the external auditor's fulfilment of the agreed audit plan and variations from it;
- discussions or reports highlighting the major issues that arose during the course of the audit; and
- feedback from other service providers evaluating the performance of the audit team.

Fees paid to the Company's Auditor during the year are as follows:

	FOR THE YEAR ENDED 31 DECEMBER 2023 \$'000	FOR THE YEAR ENDED 31 DECEMBER 2022 \$'000
Fees to the Company's Auditor		
for audit of the statutory financial statements	255	206
for other audit related services	29	24
	284	230

Other fees paid to the Company's Auditor for other audit related services of \$29k (2022: \$24k) were in relation to a review of the Interim Report and fees paid for other non-audit services of \$nil (2022: \$nil) were in relation to regulatory advisory services.

The Audit and Risk Committee is satisfied with Ernst & Young LLP's effectiveness and independence as external auditor having considered the degree of diligence and professional scepticism demonstrated. Having carried out the review described above, and having satisfied itself that the external auditor remains independent and effective.

The Audit and Risk Committee has provided the Board with its recommendation to the Shareholders on the re-appointment of Ernst & Young LLP as external auditor for the year ending 31 December 2023. Accordingly, a resolution proposing the re-appointment of Ernst & Young LLP as the Company's external auditor will be put to Shareholders at the AGM.

On behalf of the Audit and Risk Committee

EMMA DAVIES
Audit and Risk Committee Chair
20 February 2024

INDEPENDENT AUDITOR'S REPORT

OPINION

We have audited the financial statements of Riverstone Credit Opportunities Income Plc ('the Company') for the year ended 31 December 2023 which comprise the Statement of Financial Position, Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows and the related notes 1 to 18, including material accounting policy information. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards.

In our opinion, the financial statements:

- give a true and fair view of the Company's affairs as at 31 December 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) ('ISAs (UK)') and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

We draw attention to note 2 in the financial statements, which indicates that at the Company's Annual General Meeting in May 2024 a Realisation Election will be held. As stated in note 2, these events or conditions, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

We draw attention to the viability statement in the Annual Report on page 17, which indicates that an assumption to the statement of viability is that shareholders will vote to retain their ordinary shareholding at the upcoming Realisation Election. The Directors consider that the material uncertainty referred to in respect of going concern may cast significant doubt over the future viability of the Company should the shareholders vote to realise their shares. Our opinion is not modified in respect of this matter.

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the Directors' assessment of the Company's ability to continue to adopt the going concern basis of accounting included the following procedures:

- confirming our understanding of the Directors' going concern assessment process and also engaging with the Directors and the Investment Manager to determine if all key factors were considered in their assessment;
- inspecting the Directors' assessment of going concern, including the cashflow forecast for the period to 30 June 2025 which is sixteen months from the date the financial statements were authorised for issue;
- reviewing the factors and assumptions, including the impact of the current macroeconomic environment, climate change, as well as the upcoming Realisation Election as applied to the cashflow forecast. We considered the appropriateness of the methods used to calculate the cashflow forecast and determined, through testing of the methodology and calculations, that the methods, inputs and assumptions utilised were appropriate to be able to make an assessment for the Company;

INDEPENDENT AUDITOR'S REPORT CONTINUED

- evaluating the liquidity position of the Company and its SPVs, including verifying the availability of the undrawn portion of the revolving credit facility ("RCF") by obtaining a third party confirmation;
- considering the mitigating actions that are available to the Directors and reviewing the Company's assessment of the stress testing considerations, including assessing the likelihood of the occurrence of the ultimate downside scenario;
- considering whether the provisions set out in the Company's Prospectus in relation to the upcoming Realisation Election created a material uncertainty with respect to the Company's ability to continue as a going concern. Our evaluation included corroborating the contractual and expected maturities of the unrealised investment portfolio to source documentation and making inquiries with the Company's broker and reviewing correspondence with shareholders in relation to the upcoming realisation election; and
- reviewing the Company's going concern disclosures included in the Annual Report and Financial Statements in order to assess whether the disclosures are appropriate and in conformity with the reporting standards.

In relation to the Company's reporting on how they have applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to:

- the Directors' statement in the financial statements about whether the Directors considered it appropriate to adopt the going concern basis of accounting; and
- the Directors' identification in the financial statements of the material uncertainty related to the Company's ability to continue as a going concern over a period of sixteen months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Company's ability to continue as a going concern.

OVERVIEW OF OUR AUDIT APPROACH

Key audit matters	<ul style="list-style-type: none"> • Risk of incorrect valuation of investments and resulting impact on the Statement of Comprehensive Income • Risk of incorrect calculation and allocation of the profit share payable to the Investment Manager • Risk of incomplete or inaccurate revenue recognition, including with respect to payment in kind ('PIK') interest
Materiality	<ul style="list-style-type: none"> • Overall materiality of £960k, which represents 1% of Net assets.

AN OVERVIEW OF THE SCOPE OF OUR AUDIT

Tailoring the scope

Our assessment of audit risk, our evaluation of materiality and our allocation of performance materiality determine our audit scope for the Company. This enables us to form an opinion on the financial statements. We take into account size, risk profile, the organisation of the Company and effectiveness of controls, the potential impact of climate and changes in the business environment when assessing the level of work to be performed.

Climate change

Stakeholders are increasingly interested in how climate change will impact companies. The Company has determined that the most significant future impacts from climate change on its operations will be from environmental exposures and existing and proposed environmental legislation and regulation that may adversely affect the operations of investee companies. These are explained on pages 10-13 in the Environmental, Social and Governance Report and on page 15 in the Principal, Emerging Risks and Uncertainties section of the Strategic Report. All of these disclosures form part of the "Other information," rather than the audited financial statements. Our procedures on these unaudited disclosures therefore consisted solely of considering whether they are materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appear to be materially misstated, in line with our responsibilities on "Other information".

In planning and performing our audit we assessed the potential impacts of climate change on the Company's business and any consequential material impact on its financial statements.

The Company has explained in note 3 how they have reflected the impact of climate change in their financial statements. Significant judgements and estimates relating to climate change are included in note 3. These disclosures also explain where governmental and societal responses to climate change risks are still developing, and where the degree of uncertainty of these changes means that they cannot be taken into account when determining asset valuations under the requirements of UK adopted international accounting standards. In note 4 to the financial statements, supplementary sensitivity disclosures of the impact of changes in unobservable valuation inputs have been provided.

Our audit effort in considering the impact of climate change on the financial statements was focused on evaluating management's assessment of the impact of climate risk, physical and transition, their climate commitments, the effects of material climate risks disclosed on pages 15 and 16 and the significant judgements and estimates disclosed in note 3 and whether these have been appropriately reflected in asset values where these are impacted by future cash flows and associated sensitivity disclosures (see note 4) following the requirements of UK adopted international accounting standards. As part of this evaluation, we performed our own risk assessment, supported by our climate change internal specialists, to determine the risks of material misstatement in the financial statements from climate change which needed to be considered in our audit.

We also challenged the Directors' considerations of climate change risks in their assessment of going concern and viability and associated disclosures. Where considerations of climate change were relevant to our assessment of going concern, these are described above.

Based on our work we have not identified the impact of climate change on the financial statements to be a key audit matter or to materially impact a key audit matter.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on the overall audit strategy, the allocation of resources in the audit and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the material uncertainties related to going concern section, we have determined the matters described below to be the key audit matters to be communicated in our report.

INDEPENDENT AUDITOR'S REPORT CONTINUED

RISK	OUR RESPONSE TO THE RISK	KEY OBSERVATIONS COMMUNICATED TO THE AUDIT AND RISK COMMITTEE
<p>Risk of incorrect valuation of investments and resulting impact on the Statement of Comprehensive Income (2023: \$94,639k, 2022: \$94,570k)</p> <p>Refer to the Audit Committee Report (page 43); Accounting policies (page 60); and Note 4 of the Financial Statements (page 66).</p> <p>The Company invests, via other wholly owned entities, in senior secured loans and other unlisted securities issued by borrowers operating in the energy sector.</p> <p>Third party valuation specialists prepare valuations in accordance with International Financial Reporting Standard 13 Fair Value Measurement ('IFRS 13') and International Private Equity and Venture Capital Valuation ('IPEV') guidelines with certain inputs determined by the Investment Manager and are reported to the Board quarterly. The valuation of the investments is material, complex and includes judgements and significant estimates, including the impact of climate change on significant assumptions. There is therefore a risk that the valuation of investments is materially misstated. There is also an incentive and opportunity for the Investment Manager to inflate the investment valuations.</p> <p>Unrealised gains or losses are calculated as the difference between the fair value of the investment at the end of the year and the fair value at the start of the year and are presented in the Capital column on the Statement of Comprehensive Income.</p>	<p>We obtained an understanding of the Investment Manager's and the Administrator's processes and controls surrounding the trade processing and valuation of investments by performing our walkthrough procedures, in which we evaluated the design and implementation of controls.</p> <p>For a sample of investments, with the assistance of EY valuation specialists, we have:</p> <ul style="list-style-type: none"> • obtained the valuation models for the related assets to assess whether the valuation methodology adopted is consistent with the requirements of IFRS 13 and IPEV guidelines; • challenged the appropriateness of assumptions used in the application of the valuation models including the discount rate used in the yield analysis; • verified key inputs used within the valuation models to supporting documentation including, credit agreements and paydown notices; • performed corroborative calculations and compared our results to the valuations determined by the Investment Manager; • performed back testing of the prospective financial information ('PFI') for the investee companies to assess if the current year PFI is appropriate; • considered the wider economic factors such as climate change and the macroeconomic environment throughout the procedures performed on the valuation of investments, by challenging whether the valuation methodologies and assumptions used are appropriate; • agreed the investment valuation movements within underlying accounting records to our year-end valuation work; • we also recalculated the unrealised gains/(losses) for the year, considering our procedures performed over the valuation of investments; and • performed journal entry testing, in order to address the residual risk of management override. 	<p>The results of our audit procedures identified no material misstatements in relation to the incorrect valuation of investments and resulting impact on the Statement of Comprehensive Income.</p>

RISK	OUR RESPONSE TO THE RISK	KEY OBSERVATIONS COMMUNICATED TO THE AUDIT AND RISK COMMITTEE
<p>Risk of incorrect calculation and allocation of the profit share payable to the Investment Manager (2023: \$873k, 2022: \$1,679k)</p> <p>Refer to the Audit Committee Report (page 43); Accounting policies (page 60); and Note 12 of the Financial Statements (page 73).</p> <p>Per the terms of the Investment Management Agreement ('IMA') and the prospectus ('the agreements'), a profit share is payable to the Investment Manager at a rate of 20% where the Company's distributable income exceeds an amount equal to 4% of the Company's capital. An additional profit share of 10% is payable where the Company's distributable income exceeds an amount equal to 8% of the Company's capital. The profit share is payable quarterly with an annual reconciliation in the last quarter of the year. The annual profit share payable is subject to a cap of 5% of net asset value and a potential adjustment in the event the Company suffers a capital loss.</p> <p>As the agreement is open to interpretation, there is the risk that the model used to calculate the profit share payable does not accurately reflect the terms of the agreement. There is also incentive for the Investment Manager to manipulate the model to increase profit share payable to them. The Investment Manager does not receive any remuneration other than the profit share payable for the period. The model is also manually calculated, creating opportunity for manual override.</p>	<p>We have:</p> <ul style="list-style-type: none"> • obtained an understanding of the Investment Manager and Administrator's processes and controls surrounding the profit share calculation, by performing our walkthrough procedures, in which we evaluated the design and implementation of controls; • verified the model for calculating the profit share is consistent with the terms outlined in the agreement, which remain unchanged from the prior year; • recalculated the profit share payable to the Investment Manager for the year and agreed the key inputs to underlying financial records and the agreements; • verified that each of the performance conditions laid out in the agreements have been met, by comparing the Company's distributable income to the Company's capital and testing the profit share amount relative to the cap. We verified that no capital loss adjustment was required; • agreed the quarterly profit share accruals posted to the general ledger to the profit share model calculation; • confirmed that the profit share had been appropriately allocated to the revenue column of the Statement of Comprehensive Income with respect to the nature of the Company's income receipts to date and the basis of calculation for the profit share; and • performed journal entry testing, in order to address the residual risk of management override. 	<p>The results of our audit procedures identified no material misstatement in relation to calculation and allocation of the profit share payable to the Investment Manager.</p>

INDEPENDENT AUDITOR'S REPORT CONTINUED

RISK	OUR RESPONSE TO THE RISK	KEY OBSERVATIONS COMMUNICATED TO THE AUDIT AND RISK COMMITTEE
<p>Risk of incomplete or inaccurate revenue recognition, including with respect to PIK interest (2023: \$9,220k, 2022: \$11,967k)</p> <p>Refer to the Audit Committee Report (page 43); Accounting policies (page 60); and Note 4 of the Financial Statements (page 67).</p> <p>The Company's investment in its SPVs comprises an equity and a loan investment. Investment income is receivable from the equity investment in the form of dividend income and the loan made to Riverstone International Credit Corporation ('RICC') accrues interest at a rate of 9.27% per annum. Interest is also receivable from the loans made, via the SPVs, to investee companies. The inputs to the calculations of both the dividend and interest income are based on observable inputs, there is no element of subjectivity.</p> <p>There is the possibility for interest to be paid in the form of a payment-in-kind ('PIK') at both the Company level and investee company level. There is a degree of estimation required to assess the likelihood that any PIK interest accrued will be recoverable with repayment of the principal loan. The PIK interest accrued at the SPV level is \$1,791k (2022: nil). There is therefore a risk that any PIK interest accrued may not be fully realisable.</p> <p>The Company's investment objective is to generate consistent shareholder returns, and it is therefore important that revenue is accurately recognised in order for investors to assess whether the Company is meeting this objective.</p>	<p>We have:</p> <ul style="list-style-type: none"> obtained an understanding of the Investment Manager and Administrator's processes and controls surrounding the calculation and recognition of revenue, including PIK interest by performing our walkthrough procedures; reviewed the Company loan schedule and verified that there were no outstanding PIK balances due at the year-end; recalculated the interest income, vouching key inputs to the supporting loan agreement and interest income received to bank statements. We compared this to the amount recorded per the financial statements; vouched the dividends received by the Company and a sample of cash interest repayments in the year to bank statements; and Performed journal entry testing, in order to address the residual risk of management override. <p>For the PIK interest accrued at an investee company level we have:</p> <ul style="list-style-type: none"> obtained the Administrator's calculations of PIK interest; agreed key inputs to underlying executed loan agreements; and recalculated the expected PIK interest and compared this to the amount recorded by the Administrator. <p>In order to assess reasonableness and recoverability of the accrued PIK interest, we assessed the performance of the underlying investee companies, with reference to our procedures performed over the valuation of investments.</p>	<p>The results of our audit procedures identified no material misstatement in relation to the incomplete or inaccurate revenue recognition with respect to PIK interest.</p>

OUR APPLICATION OF MATERIALITY

We apply the concept of materiality in planning and performing the audit, in evaluating the effect of identified misstatements on the audit and in forming our audit opinion.

Materiality

The magnitude of an omission or misstatement that, individually or in the aggregate, could reasonably be expected to influence the economic decisions of the users of the financial statements. Materiality provides a basis for determining the nature and extent of our audit procedures.

We determined materiality for the Company to be \$960k (2022: \$984k), which is 1% (2022: 1%) of Net assets. We believe that Net assets is the most relevant measure of the Company's performance to the stakeholders of the Company.

Performance materiality

The application of materiality at the individual account or balance level. It is set at an amount to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality.

On the basis of our risk assessments, together with our assessment of the Company's overall control environment, our judgement was that performance materiality was 75% (2022: 75%) of our planning materiality, namely \$720k (2022: £738k). We have set performance materiality at this percentage based on the fact that there were no material uncorrected prior year misstatements. We have also confirmed that the control environment is consistent with the prior year and there have been no significant changes in circumstances.

Reporting threshold

An amount below which identified misstatements are considered as being clearly trivial.

We agreed with the Audit and Risk Committee that we would report to them all uncorrected audit differences in excess of \$48k (2022: \$49k), which is set at 5% of planning materiality, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds.

We evaluate any uncorrected misstatements against both the quantitative measures of materiality discussed above and in light of other relevant qualitative considerations in forming our opinion.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Directors are responsible for the other information within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006.

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Directors' Report have been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITOR'S REPORT CONTINUED

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

CORPORATE GOVERNANCE STATEMENT

As the Company is listed on the Specialist Fund Segment of the London Stock Exchange, the Directors have voluntarily complied with the UK Corporate Governance Code (the "Code") and have prepared a Corporate Governance Statement in accordance with the Disclosure Guidance and Transparency Rules of the Financial Conduct Authority ("FCA").

We have reviewed the Directors' statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the Company's compliance with the provisions of the Code specified for our review by the Listing Rules.

Aside from the impact of the matters disclosed in the material uncertainties related to going concern section, based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements or our knowledge obtained during the audit:

- Directors' statement with regards to the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out on page 16;
- Directors' explanation as to its assessment of the Company's prospects, the period this assessment covers and why the period is appropriate set out on page 17;

- Director's statement on whether it has a reasonable expectation that the group will be able to continue in operation and meets its liabilities set out on page 17;
- Directors' statement on fair, balanced and understandable set out on page 30;
- Board's confirmation that it has carried out a robust assessment of the emerging and principal risks set out on page 14;
- The section of the annual report that describes the review of effectiveness of risk management and internal control systems set out on page 40; and
- The section describing the work of the audit committee set out on page 43.

Responsibilities of Directors

As explained more fully in the Directors' Responsibilities Statement set out on page 34, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the Company and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant are UK adopted international accounting standards, the Companies Act 2006, the UK Corporate Governance Code, Section 1158 of the Corporation Tax Act 2010, the Association of Investment Companies' Code and Statement of Recommended Practice and The Companies (Miscellaneous Reporting) Regulations 2018.
- We understood how the Company is complying with those frameworks through discussions with the Audit and Risk Committee and Company Secretary and review of Board minutes and the Company's documented policies and procedures.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by considering the key risks impacting the financial statements. We identified fraud and management override risk in relation to the incorrect calculation and allocation of the profit share payable to the Investment Manager and in relation to the incorrect valuation of investments. Further discussion of our approach is set out in the section on key audit matters above.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved making inquiries of the Investment Manager, Administrators and the Directors and by reviewing legal costs of the Company and minutes of Board and committee meetings for any indication of non-compliance.

Notes:

1. The maintenance and integrity of the Riverstone Credit Opportunities Income Plc website is the responsibility of the Directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.
2. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

All capitalised terms are defined in the list of defined terms on page 80 to 81 unless separately defined.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Other matters we are required to address

- Following the recommendation from the Audit and Risk Committee, we were appointed by the Company on 2 April 2019 to audit the financial statements for the year ending 31 December 2019 and subsequent financial periods. We executed our engagement letter with the Company on 24 October 2019.
- The period of total uninterrupted engagement including previous renewals and reappointments is 5 years, covering the years ending 31 December 2019 to 31 December 2023.
- The audit opinion is consistent with the additional report to the Audit and Risk Committee.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.



MIKE GAYLOR (SENIOR STATUTORY AUDITOR)

for and on behalf of Ernst & Young LLP,
Statutory Auditor
London
20 February 2024

STATEMENT OF FINANCIAL POSITION

As at 31 December 2023

	NOTE	31 DECEMBER 2023 \$'000	31 DECEMBER 2022 \$'000
Non-current assets			
Investments at fair value through profit or loss	4/5	94,639	94,570
		94,639	94,570
Current assets			
Loan interest receivable	4	–	1,263
Dividends receivable	4	1,728	3,451
Trade and other receivables	6	97	124
Cash and cash equivalents		627	957
		2,452	5,795
Current liabilities			
Trade and other payables	7	(1,067)	(1,889)
		1,385	3,906
Net current assets			
		96,024	98,476
Net assets			
Equity			
Share capital	8	908	908
Capital redemption reserve	8	92	92
Other distributable reserves	8	90,528	90,528
Retained earnings	9	4,496	6,948
Total Shareholders' funds		96,024	98,476
Number of Shares in issue at year end		90,805,237	90,805,237
Net assets per share (cents)	13	105.75	108.45

The financial statements of the Company were approved and authorised for issue by the Board of Directors on 20 February 2023 and signed on its behalf by:



REUBEN JEFFERY, III
Chairman



EMMA DAVIES
Director

Company number: 11874946

The accompanying notes on pages 60 to 79 form an integral part of these financial statements.

All capitalised terms are defined in the list of defined terms on page 80 to 81 unless separately defined.

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2023

	NOTE	FOR THE YEAR ENDED 31 DECEMBER 2023			FOR THE YEAR ENDED 31 DECEMBER 2022		
		REVENUE \$'000	CAPITAL \$'000	TOTAL \$'000	REVENUE \$'000	CAPITAL \$'000	TOTAL \$'000
Investment (loss)/gain							
Change in fair value of investments at fair value through profit or loss	4	–	(1,334)	(1,334)	–	3,944	3,944
		–	(1,334)	(1,334)	–	3,944	3,944
Income							
Investment income	4	9,220	–	9,220	11,967	–	11,967
		9,220	–	9,220	11,967	–	11,967
Expenses							
Directors' fees and expenses	16	(160)	–	(160)	(180)	–	(180)
Other operating expenses		(1,177)	–	(1,177)	(1,269)	–	(1,269)
Profit share	12	(873)	–	(873)	(1,679)	–	(1,679)
Total expenses		(2,210)	–	(2,210)	(3,128)	–	(3,128)
Operating profit / (loss) for the year		7,010	(1,334)	5,676	8,839	3,944	12,783
Finance income							
Interest income		44	–	44	65	–	65
Total finance income		44	–	44	65	–	65
Profit / (loss) for the year before tax		7,054	(1,334)	5,720	8,904	3,944	12,848
Tax	11	–	–	–	–	–	–
Profit / (loss) for the year after tax		7,054	(1,334)	5,720	8,904	3,944	12,848
Profit / (loss) and total comprehensive income for the year		7,054	(1,334)	5,720	8,904	3,944	12,848
Profit / (loss) and total comprehensive income attributable to:							
Equity holders of the Company		7,054	(1,334)	5,720	8,904	3,944	12,848
Earnings per share							
Basic and diluted earnings and loss per Share (cents)	13	7.77	(1.47)	6.30	9.76	4.32	14.08

All 'Revenue' and 'Capital' items in the above statement derive from continuing operations. No operations were acquired or discontinued in the year.

The 'Total' column of this statement is the profit and loss account of the Company and the 'Revenue' and 'Capital' columns represent supplementary information prepared under guidance issued by the Association of Investment Companies. Profit for the year after tax also represents Total Comprehensive Income.

The accompanying notes on pages 60 to 79 form an integral part of these financial statements.

All capitalised terms are defined in the list of defined terms on page 80 to 81 unless separately defined.

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2023

FOR THE YEAR ENDED 31 DECEMBER 2023	NOTE	SHARE CAPITAL \$'000	CAPITAL REDEMPTION RESERVE \$'000	OTHER DISTRIBUTABLE RESERVES \$'000	RETAINED EARNINGS \$'000	TOTAL \$'000
Opening net assets attributable to Shareholders		908	92	90,528	6,948	98,476
Repurchase and cancellation of share capital		–	–	–	–	–
Total comprehensive income for the year		–	–	–	5,720	5,720
Distributions paid in the year	14	–	–	–	(8,172)	(8,172)
Closing net assets attributable to Shareholders		908	92	90,528	4,496	96,024

Following the IPO of the Company, the share premium account was cancelled by a court order dated 16 July 2019. The amount of \$97,000 remaining in the share premium account of the Company at this date was subsequently cancelled and transferred to other distributable reserves. This may be applied in any manner in which the Company's profits available for distribution are able to be applied, as determined in accordance with the Companies Act 2006.

The company's total distributable reserves comprise its other distributable reserve and retained earnings, excluding unrealised movement on its investments. After taking account of cumulative unrealised gains of \$2.1m and distributions made, the total amount of reserves that were distributable as at 31 December 2023 were \$92.9m.

Details of the Company's retained earnings are shown in note 9.

FOR THE YEAR ENDED 31 DECEMBER 2022	NOTE	SHARE CAPITAL \$'000	CAPITAL REDEMPTION RESERVE \$'000	OTHER DISTRIBUTABLE RESERVE \$'000	RETAINED EARNINGS \$'000	TOTAL \$'000
Opening net assets attributable to Shareholders		915	85	91,179	1,121	93,300
Repurchase and cancellation of share capital		(7)	7	(651)	–	(651)
Total comprehensive income for the year	14	–	–	–	12,848	12,848
Distributions paid in the year		–	–	–	(7,021)	(7,021)
Closing net assets attributable to Shareholders		908	92	90,528	6,948	98,476

After taking account of cumulative unrealised losses of \$3.5m and distributions made, the total amount of reserves that were distributable as at 31 December 2022 were \$94.0m.

The accompanying notes on pages 60 to 79 form an integral part of these financial statements.

All capitalised terms are defined in the list of defined terms on page 80 to 81 unless separately defined.

STATEMENT OF CASH FLOWS

For the year ended 31 December 2023

	NOTE	FOR THE YEAR ENDED 31 DECEMBER 2023 \$'000	FOR THE YEAR ENDED 31 DECEMBER 2022 ⁽¹⁾ \$'000
Cash flows from operating activities			
Profit for the year before tax		5,720	12,848
Adjustments for non-cash transaction in profit for the year before tax:			
Interest income		(44)	(65)
Movement in fair value of investments	4	1,334	(3,944)
Investment income per Statement of Comprehensive Income	4	(9,220)	(11,967)
Adjustments for statement of financial position movement:			
Movement in payables		(822)	991
Movement in receivables		15	(12)
Bank interest received		56	50
Loan interest received	4	5,366	5,520
Dividends received		5,437	3,825
Net cash generated from operating activities		7,842	7,246
Cash flows from investing activities			
Investment additions	4	–	(16,193)
Investment proceeds	4	–	12,692
Net cash used in financing activities		–	(3,501)
Cash flows from financing activities			
Distributions paid	14	(8,172)	(7,021)
Repurchase and cancellation of share capital	8	–	(651)
Net cash used in financing activities		(8,172)	(7,672)
Net movement in cash and cash equivalents during the year		(330)	(3,927)
Cash and cash equivalents at the beginning of the year		957	4,884
Cash and cash equivalents at the end of the year		627	957

1. Cash flows from operating activities for the year ended 31 December 2023 are presented by adjusting Profit for the year before tax as opposed to Operating profit for the year. Cash flows from operating activities for the year ended 31 December 2022 have been re-presented in the format adopted for the year ended 31 December 2023.

The accompanying notes on pages 60 to 79 form an integral part of these financial statements.

All capitalised terms are defined in the list of defined terms on page 80 to 81 unless separately defined.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2023

1. GENERAL INFORMATION

The Company was incorporated and registered in England and Wales on 11 March 2019 with registered number 11874946 as a public company limited by shares under the Companies Act 2006 (the “Act”). The principal legislation under which the Company operates is the Act. The Directors intend, at all times, to conduct the affairs of the Company so as to enable it to qualify as an investment trust for the purposes of section 1158 of the Corporation Tax Act 2010, as amended.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared in accordance with the provisions of the Companies Act 2006, with the UK-adopted International Accounting Standards (“UK-adopted IAS”), the Disclosure Guidance and Transparency Rules of the United Kingdom’s Financial Conduct Authority. Where presentational guidance set out in the AIC SORP, 2022 edition, is consistent with the requirements of UK-adopted IAS, the Directors have sought to prepare the financial statements on a basis compliant with the recommendations of the AIC SORP. In particular, supplementary information which analyses the Statement of Comprehensive Income between items of a revenue and capital nature has been presented alongside the total Statement of Comprehensive Income.

The annual financial statements have been prepared on the historical cost basis, as modified for the measurement of certain financial instruments at fair value through profit or loss. The principal accounting policies are set out below.

Going Concern

As at 31 December 2023, the cash balance within the Company was \$0.6 million, cash and cash equivalent balances within the SPVs amounted to \$8.5 million. The Company currently has existing liabilities of \$1.1 million, plus a distribution payable of \$2.3 million with respect to the quarter ended 31 December 2023.

During Q4 2022, Riverstone International Credit – Direct entered into a Revolving Credit facility (“RCF” or “facility”) Agreement for \$15.0 million with BC Partners. The SPV borrowings from the facility at 31 December 2023 were \$5.0m, leaving the remaining \$10.0m million undrawn commitment for future borrowings. The guarantors are the Company, Riverstone Credit Opportunities Income Partners – Direct L.L.C., a Delaware limited liability company and Riverstone Credit Opportunities Income Partners L.L.C., a Delaware limited liability company. The SPVs are required to maintain an LTV Ratio below the Covenant LTV of 22% at each borrowing request date. The LTV Ratio is calculated as the total outstanding principal and accrued interest on the facility divided by the aggregate NAV of the SPVs, Riverstone International Credit L.P. and Riverstone International Credit-Direct L.P. At 31 December 2023, the SPVs were compliant with the Covenant LTV ratio, with an LTV of ~6% and \$10.0 million of the undrawn commitment is available. The SPVs also entered into a money market capital fund with JP Morgan, earning about 5% interest annually. Cash held at the money market account is readily transferable within one business day, and the balance at 31 December 2023 was \$15.1 million.

The cash balance of the Company and its SPVs are comprised of cash and money market fixed deposits and the risk of default on the counterparties cash and deposits is considered extremely low. Due to this the Directors believe there are no material liquidity or solvency risks for the Company’s financial resources and working capital.

Additionally, the operating expenses of the trust and its SPVs are budgeted to be between \$3.0 million and \$3.5 million during the period of assessment including taxes and interest expense from the SPV facility. Based on the high end of this range, using all the cash at the SPVs and in the Company, along with the proceeds invested in the money market capital fund, it would take the Company and its SPVs’ approximately seven years to run out of cash.

The major cash outflows of the Company and its SPVs are expected to be the payment of distributions and expenses, share repurchases and the acquisition of new assets, all of which are analysed in the scenarios outlined below based on timing and covenant compliance.

The Company has assessed multiple case scenarios, including scenarios impacted by the upcoming realisation election, from base case to the ultimate downside scenario. In the highly unlikely ultimate downside scenario, where all unrealised investments are written down to zero and expenses increase by 50%, the Company and its SPVs will still have sufficient funds to cover their obligations and continue operating for the going concern period.

The first continuation vote for the Company will be proposed at the AGM of the Company to be held in May 2027, which is after the going concern period has ended.

For the forthcoming realisation election in May 2024, shareholders will vote whether or not to redesignate their shares on a one for one basis to realisation shares. The Realisation Share NAV (the NAV attributable to the realisation shares) and the Ordinary Share NAV (the NAV attributable to the remaining ordinary shares) will be calculated after the Annual General Meeting.

If the Realisation Share NAV is below \$5.0m, these shares will be repurchased and the remaining shares will continue as before, and if the Realisation Share NAV is above \$5.0m, the assets and liabilities of the Company will be allocated pro rata in a Continuation Pool and a Realisation Pool.

Alternatively, if the remaining Ordinary Share NAV is below \$50.0m (Realisation Share NAV is above \$50.0m), the investment objective and investment policy will change to hold the Company's assets to repayment at maturity without reinvesting any cash realised by the Company with the aim of making progressive returns of cash to Shareholders as soon as practicable and ultimately liquidating the Company. As a result, under this scenario the Company would cease to be a going concern.

The Directors have concluded the Company's financial statements shall be prepared on a going concern basis. However, as the realisation election will not conclude until after the approval of these financial statements, there is a material uncertainty related to this event that may cast significant doubt on the Company's ability to continue as a going concern. The financial statements do not contain the adjustments that would result if the company were unable to continue as a going concern.

Foreign currencies

The functional currency of the Company is US Dollar reflecting the primary economic environment in which the Company operates, where most transactions are expected to take place in US Dollar. Additionally, the Ordinary Shares of the Company are listed in US Dollar.

The Company has chosen US Dollar as its presentation currency for financial reporting purposes.

Transactions during the year, including income and expenses, are translated into US Dollar at the rate of exchange prevailing on the date of the transaction. Monetary assets and liabilities denominated in currencies other than US Dollar are retranslated at the functional currency rate of exchange ruling at the reporting date. Non-monetary items that are measured in terms of historical cost in a currency other than US Dollar are translated using the exchange rates as at the dates of the initial transactions.

Non-monetary items measured at fair value in a currency other than US Dollar are translated using the exchange rates at the date when the fair value was determined. Foreign currency transaction gains and losses on financial instruments classified as at fair value through profit or loss are included in profit or loss in the Statement of Comprehensive Income as part of the 'Change in fair value of investments at fair value through profit or loss'. Exchange differences on other financial instruments were immaterial and have been included as other operating expenses in the Statement of Comprehensive Income.

Financial instruments

In accordance with IFRS 9, financial assets and financial liabilities are recognised in the Company's Statement of Financial Position when the Company becomes a party to the contractual provisions of the instrument.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

For the year ended 31 December 2023

2. SIGNIFICANT ACCOUNTING POLICIES CONTINUED

Financial assets

When financial assets are recognised initially, they are measured at fair value. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

a) Investments at fair value through profit or loss

i. Classification and measurement

The Company's investments are classified as held at fair value through profit or loss as they are managed in a portfolio of assets on a fair value basis. Financial assets held at fair value through profit or loss are initially recognised at fair value, which is normally the transaction price, and are subsequently valued at fair value.

ii. Fair value estimation

The SPVs hold and manage the Company's underlying investments, which are valued at fair value, based on IPEV Valuation Guidelines and the UK-adopted IAS. The fair value of the SPVs is considered to be their net asset value incorporating a fair valuation of the underlying investments. The Directors believe that this is appropriate, as:

- the underlying investments within the SPVs are held on a fair value basis as described below and have taken into account risks to fair value, inclusive of liquidity discounts, through appropriate discount rates;
- the Company wholly owns the SPVs and thus is entitled to all of their economic rights; and
- the Directors take all these items into consideration and would make adjustments to net asset value, if deemed necessary.

Valuation process

The Investment Manager is responsible for proposing the valuation of the assets held by the Company through the SPVs and the Directors are responsible for reviewing the Company's valuation policy and approving the valuations.

Valuation specialist

Due to the illiquid and subjective nature of the Company's underlying investments, the Investment Manager uses a third party valuation provider to perform a full independent valuation of the underlying investments. This includes the third party valuation provider selecting the valuation methodology and/or comparable companies; identifying the cash flows and appropriate discount rate utilised in a yield analysis; and providing a final value range to the Investment Manager. The valuation adviser independently values the assets and provides analyses to support the methodology in addition to presenting calculations used to generate output.

b) Cash and cash equivalents

Cash includes cash on hand and demand deposits. Cash equivalents comprise other short-term highly liquid investments with an original maturity of three months or less that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

c) Trade receivables

Trade receivables are classified as financial assets at amortised cost. They are measured at amortised cost less impairment assessed using the simplified approach of the expected credit loss model based on current circumstances and expectations of future losses.

A financial asset is derecognised (in whole or in part) either:

- when the Company has transferred substantially all the risks and rewards of ownership; or
- when it has neither transferred nor retained substantially all the risks and rewards and when it no longer has control over the assets or a portion of the asset; or
- when the contractual right to receive cash flow has expired.

All capitalised terms are defined in the list of defined terms on page 80 to 81 unless separately defined.

Financial liabilities

a) Trade payables

Trade payables are classified as financial liabilities at amortised cost.

Equity

The Company's Ordinary Shares are classified as equity and upon issuance, the fair value of the consideration received is included in equity. All other share issue costs of the Company, which were otherwise chargeable to equity, were borne by the Investment Manager.

Capital Redemption Reserve

This is a non-distributable reserve, holding amounts that are transferred following the purchase of the Company's own share capital out of distributable reserves.

Distributable Reserves

Distributable reserves are those profits available for the purpose of a distribution to Ordinary Shareholders. This includes its other distributable reserve and retained earnings, excluding unrealised movement on its investments. The Company's retained earnings include the revenue reserve and the capital reserve. The Revenue reserve is the accumulation of distributable profit and losses through the statement of comprehensive income and the capital reserve is an accumulation of unrealised gains and losses in the fair value of investments.

Repurchase of Ordinary Shares for cancellation

The cost of repurchasing Ordinary Shares including the related stamp duty and transactions costs is charged to the 'Other distributable reserves' and dealt with in the Statement of Changes in Equity. Share repurchase transactions are accounted for on a trade date basis. The nominal value of ordinary share capital repurchased and cancelled is transferred out of 'Share capital' and into the 'Capital redemption reserve'.

Distributions

Distributions payable are recognised as distributions in the financial statements when the Company's obligation to make payment has been established.

Income recognition

Dividend income is recognised when the Company's entitlement to receive payment is established. Interest income is recognised on an accruals basis. Interest income due, but not received, is capitalised with the principal amount of the loan. Dividend and interest income is allocated to the Revenue column and are included within Investment income line on the Statement of Comprehensive Income.

Expenses

Expenses include legal, accounting, auditing and other operating expenses. They are recognised on an accruals basis in the Statement of Comprehensive Income in the year in which they are incurred.

Expenses are charged through the Revenue account except those which are capital in nature, including those which are incidental to the acquisition, disposal or enhancement of an investment, which are accounted for through the Capital account.

Profit Share

Profit share is recognised on an accrual basis in the statement of Comprehensive Income for the year and is based on the Company's income. The Profit Share is payable quarterly, at the same time as the Company pays its distributions. It is subject to an annual reconciliation in the last quarter of each year.

The amount payable in respect of the annual Profit Share is as detailed in note 12.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

For the year ended 31 December 2023

2. SIGNIFICANT ACCOUNTING POLICIES CONTINUED

Taxation

It is the intention of the Directors to conduct the affairs of the Company so that it satisfies the conditions in section 1158 Corporation Tax Act 2010 and the Investment Trust (Approved Company) (Tax) Regulations 2011 for it to be approved by HMRC as an investment trust.

In respect of each accounting period for which the Company is and continues to be approved by HMRC as an investment trust, the Company will be exempt from UK corporation tax on its chargeable gains and its capital profits from creditor loan relationships. The Company will, however, be subject to UK corporation tax on its income (currently at a rate of 25 percent).

In principle, the Company will be liable to UK corporation tax on its dividend income. However, there are broad-ranging exemptions from this charge which would be expected to be applicable in respect of most of the distributions the Company may receive.

A company that is an approved investment trust in respect of an accounting period is able to take advantage of modified UK tax treatment in respect of its “qualifying interest income” for an accounting period. It is expected that the Company will have material amounts of qualifying interest income and that it may, therefore, decide to designate some or all of the distribution paid in respect of a given accounting period as interest distributions. To the extent that the Company receives income from, or realises amounts on the disposal of, investments in foreign countries it may be subject to foreign withholding or other taxation in those jurisdictions. To the extent it relates to income, this foreign tax may, to the extent not relievable under a double tax treaty, be able to be treated as an expense for UK corporation tax purposes, or it may be treated as a credit against UK corporation tax up to certain limits and subject to certain conditions.

Deferred tax is provided on all temporary differences at the balance sheet date between the tax basis of assets and liabilities and their carrying amount for financial reporting purposes. Deferred tax is calculated at the tax rates that are expected to apply to the year when a liability is settled or an asset is realised, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Segmental reporting

The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors, as a whole. The key measure of performance used by the Board to assess the Company’s performance and to allocate resources is the Company’s Net Asset Value, as calculated under UK-adopted IAS, and therefore no reconciliation is required between the measure of profit or loss used by the Board and that contained in the Annual Report.

For management purposes, the Company is organised into one main operating segment, which invests through its SPVs in a diversified portfolio of debt instruments, issued by Borrowers operating in the energy sector.

All of the Company’s current income is derived from within the United States.

All of the Company’s non-current assets are located in the United States.

Due to the Company’s nature, it has no customers.

New and amended standards and interpretations not applied

Accounting standards and interpretations have been published and are mandatory for the Company’s accounting periods beginning on or after 1 January 2023 or later periods. The following are the new or amended accounting standards or interpretations applicable to the Company:

- Amendments to IAS 1 and IFRS Practice Statement 2 – Disclosure of Accounting policies (effective for annual periods beginning on or after 1 January 2023);
- Amendments to IAS 8 – Definition of Accounting Estimates (issued on 12 February 2021 and effective for annual periods beginning on or after 1 January 2023); and

The impact of these amendments were not material to the reported results and financial position of the Company.

Certain new accounting standards and amendments to accounting standards have been published that are not mandatory for 31 December 2023 reporting periods and have not been early adopted by the Company. These new or amended standards are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

- IFRS S1 – General Requirements for Disclosure of Sustainability-related Financial Information (effective for annual periods beginning on or after 1 January 2024);
- IFRS S2 – Climate-related Disclosures (effective for annual periods beginning on or after 1 January 2024); and
- IAS 1 – Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants (effective for annual periods beginning on or after 1 January 2024).

3. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses.

Estimates and judgements are continually evaluated and are based on management experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

Assessment as an Investment Entity

IFRS 10 'Consolidated Financial Statements' sets out the following three essential criteria that must be met, if a company is to be considered as an Investment Entity:

1. it must obtain funds from multiple investors for the purpose of providing those investors with investment management services;
2. it must commit to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both; and
3. it must measure and evaluate the performance of substantially all of its investments on a fair value basis.

In satisfying the second essential criterion, the notion of an investment time frame is critical and an Investment Entity should have an exit strategy for the realisation of its investments. Also as set out in IFRS 10, further consideration should be given to the typical characteristics of an Investment Entity, which are that:

- it should have more than one investment, to diversify the risk portfolio and maximise returns;
- it should have multiple investors, who pool their funds to maximise investment opportunities;
- it should have investors that are not related parties of the entity; and
- it should have ownership interests in the form of equity or similar interests.

The Directors are of the opinion that the Company meets the essential criteria and typical characteristics of an Investment Entity as noted above. Therefore the SPVs are measured at fair value through profit or loss, in accordance with IFRS 9 'Financial Instruments'. Fair value is measured in accordance with IFRS 13 'Fair Value Measurement'.

Judgement on Valuation of investments in SPVs

The Board's determination of whether a discount or premium should be applied to the net asset value of the SPV involves a degree of judgement due to the nature of the underlying investments and other assets and liabilities and the valuation techniques and procedures adopted by the SPV.

The resulting accounting estimates will, by definition, seldom equal the related actual results.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

For the year ended 31 December 2023

3. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS CONTINUED**Assessment of the SPVs as structured entities**

The Company considers the SPVs to be structured entities as defined by IFRS 12 'Disclosure of Interests in Other Entities'. Transfer of funds by the SPVs to the Company is determined by the Investment Manager. The risks associated with the Company's investment in the SPVs are disclosed in note 15. The summarised financial information for the Company's investment in the SPVs is disclosed in note 4.

Estimates and assumptions

The area involving a high degree of judgement or complexity and where assumptions and estimates are significant to the financial statements has been identified as the risk of misstatement of the valuation of the investments (see note 4). Revisions to accounting estimates are recognised in the year in which the estimate is revised and in any future years affected.

Climate change

In preparing the financial statements, the Directors have considered the impact of climate change, particularly in the context of the climate change risks identified in the ESG Report section of the Strategic Report.

As disclosed in the Strategic Report, the Company's positioning and long-term investment strategy is now focused towards energy-transition investments in either Green Loans or Sustainability-Linked Loans, supporting the advancement of decarbonisation and enhancing sustainability.

In preparing the financial statements, the Directors have considered the medium and longer term cash flow impacts of climate change on a number of key estimates within the financial statements, including:

- the estimates of future cash flows used in the assessment of fair value of investments; and
- the estimates of future profitability used in the assessment of distributable income and profit share.

These considerations did not have a material impact on the financial reporting judgements and estimates in the current year. This reflects the conclusion that climate change is not expected to have a significant impact on the Company's short-term cash flows including those considered in the going concern and viability assessments.

4. INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

The table below shows the reconciliation of the movements of level 3 financial assets during the year.

	FOR THE YEAR ENDED 31 DECEMBER 2023			FOR THE YEAR ENDED 31 DECEMBER 2022		
	LOANS \$'000	EQUITY \$'000	TOTAL \$'000	LOANS \$'000	EQUITY \$'000	TOTAL \$'000
Opening balance	59,397	35,173	94,570	60,049	27,076	87,125
Restructuring	-	-	-	213	(213)	-
Investment additions	-	-	-	7,893	16,239	24,132
Investment proceeds	-	-	-	(8,758)	(11,873)	(20,631)
Loan interest receivable	1,403	-	1,403	-	-	-
Unrealised movement in fair value of investments	-	(1,334)	(1,334)	-	3,944	3,944
	60,800	33,839	94,639	59,397	35,173	94,570

As set out above the Company's investment in Riverstone International Credit Corp. comprises of a loan investment and an equity investment and the investment in Riverstone International Credit L.P. comprises of an equity investment. The SPVs invest in a diversified portfolio of direct and indirect investments in loans, notes, bonds and other debt instruments.

Interest receivable on the loan investment at 31 December 2023 was \$1.4m (2022: \$1.3m) and is included in investments at fair value through profit and loss. The unrealised movement in fair value of investments was shown in the Change in fair value of investments at fair value through profit or loss in the Condensed Statement of Comprehensive Income.

All capitalised terms are defined in the list of defined terms on page 80 to 81 unless separately defined.

The dividend receivable on the equity investment at 31 December 2023 was \$1.7m (31 December 2022: \$3.5m). The total unfunded commitments of the Company's SPVs' investments as at 31 December 2023 is \$6.4m (31 December 2022: \$7.5m).

Reconciliation of investment income recognised in the year.

	FOR THE YEAR ENDED 31 DECEMBER 2023 \$'000	FOR THE YEAR ENDED 31 DECEMBER 2022 \$'000
Movement in loan interest receivable at year end	140	(155)
Loan interest received as cash	5,366	5,520
Total loan interest recognised in the year	5,506	5,365
Dividend income	3,714	6,602
Total investment income recognised in the year	9,220	11,967

Total cash received in relation to interest income in the year was \$5.4m (2022: \$5.5m). This comprises \$5.4m (2022: \$5.5m) of loan interest recognised in the year and \$nil (2022: \$nil) of amounts capitalised in the prior period.

Fair value measurements

IFRS 13 requires disclosure of fair value measurement by level. The level of fair value hierarchy within the financial assets or financial liabilities is determined on the basis of the lowest level input that is significant to the fair value measurement. Financial assets and financial liabilities are classified in their entirety into only one of the following 3 levels:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – inputs other than quoted prices included within Level 1 that are observable for the assets or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 – inputs for assets or liabilities that are not based on observable market data (unobservable inputs).

The Directors consider observable data to be market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

The only financial instruments held at fair value are the instruments held by the Company in the SPVs, which are fair valued at each reporting date. The Company's investments have been classified within level 3 as the investments are not traded and contain unobservable inputs. The Company's investments are all considered to be level 3 assets.

There have been no transfers between levels during the year (2022: none). Any transfers between the levels would be accounted for on the last day of each financial period.

Valuation methodology and process

The Directors base the fair value of investment in the SPVs on the fair value of their assets and liabilities, adjusted if necessary, to reflect liquidity, future commitments, and other specific factors of the SPVs and Investment Manager. This is based on the components within the SPVs, principally the value of the SPVs' investments, in addition to cash and short-term money market fixed deposits.

Any fluctuation in the value of the SPVs' investments held will directly impact on the value of the Company's investment in the SPVs.

The SPVs' investments are valued using the techniques described in the Company's valuation policy, as outlined in note 2. The Investment Manager's assessment of fair value of investments held by the SPVs is determined in accordance with IPEV Valuation Guidelines. When valuing the SPVs' investments, the Investment Manager reviews information provided by the underlying investee companies and other business partners and applies IPEV methodologies, to estimate a fair value as at the date of the Statement of Financial Position.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

For the year ended 31 December 2023

4. INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS CONTINUED

Initially, acquisitions are valued at fair value, which is normally the transaction price. Subsequently, and as appropriate, the Investment Manager values the investments on a quarterly basis using common industry valuation techniques, including comparable public market valuation, comparable merger and acquisition transaction valuation and discounted cash flow valuation. The techniques used in determining the fair value of the Company's investments through its SPVs are selected on an investment by investment basis so as to maximise the use of market based observable inputs. These techniques also reflect the impact of primary and transition risks on the portfolio, although the impact of the risks are minimal as the maximum investment period is seven years. As disclosed in note 2, due to the illiquid and subjective nature of the Company's underlying investments, the Investment Manager uses a third party valuation provider to perform a full independent valuation of the underlying investments.

Quantitative information of significant unobservable inputs – Level 3 – SPV

DESCRIPTION	31 DECEMBER 2023 \$'000	VALUATION TECHNIQUE	UNOBSERVABLE INPUT	RANGE / WEIGHTED AVERAGE \$'000
SPV	94,639	Adjusted net asset value	NAV	94,639

The Directors believe that it is appropriate to measure the SPVs at their adjusted net asset value, incorporating a valuation of the underlying investments which has taken into account risks to fair value, inclusive of liquidity discounts, through appropriate discount rates.

Sensitivity analysis to significant changes in unobservable inputs within Level 3 hierarchy

The significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at 31 December 2023 are as shown below:

DESCRIPTION	INPUT	SENSITIVITY USED	EFFECT ON FAIR VALUE \$'000
SPV	Discount for lack of liquidity	+/- 3%	-/+2,839

The Company's valuation policy is compliant with both UK-adopted IAS and IPEV Valuation Guidelines and is applied consistently. As the Company's investments are generally not publicly quoted, valuations require meaningful judgement to establish a range of values, and the ultimate value at which an investment is realised may differ from its most recent valuation and the difference may be significant.

For the year ended 31 December 2023, the valuations of the Company's investments, through its SPVs, are detailed in the Investment Manager's Report.

The below table shows fair value sensitivities to a 100 BPS increase in the discount rate and 0.5x multiple decrease used for each industry as at 31 December 2023.

INDUSTRY	INVESTMENTS AT FAIR VALUE AS AT 31 DECEMBER 2023 \$'000	VALUATION TECHNIQUE(S)	UNOBSERVABLE INPUT(S)	RANGE		WEIGHTED AVERAGE ^(a)	FAIR VALUE SENSITIVITY TO A 100 BPS INCREASE IN THE DISCOUNT RATE (IN THOUSANDS)
				LOW	HIGH		
Infrastructure	29,097	Discounted cash flow	Discount rate	7%	13%	9%	349
		Recovery Approach	EBITDA multiple	2.75x	7.50x		
Infrastructure Services	35,446	Discounted cash flow	Discount rate	7%	51%	21%	(689)
		Option Pricing Model	Risk Free Rate	4%	4%	NA	
Energy Transition	8	Implied Equity Value	NA	NA	NA	0%	–
Services	12,119	Discounted cash flow	Discount Rate	6%	7%	3%	(1,100)
		Public comparables	EBITDA multiple	5.00x	6.00x		
		Waterfall Approach	NA	NA	NA		
	\$76,669						\$(1,441)

- (a) The difference between the fair value of the SPVs of \$94.6m and the fair value of the underlying investments at 31 December 2023 is due to cash balances of \$8.5m, an unsettled trade receivable of \$3.2m, a money market investment of \$15.1m and residual liabilities including the RCF of \$8.9m, held within the SPVs.

The below table shows fair value sensitivities to a 100 BPS increase in the discount rate used for each industry as at 31 December 2022.

INDUSTRY	INVESTMENTS AT FAIR VALUE AS AT 31 DECEMBER 2022 \$'000	VALUATION TECHNIQUE(S)	UNOBSERVABLE INPUT(S)	RANGE		FAIR VALUE SENSITIVITY TO A 100 BPS INCREASE IN THE DISCOUNT RATE \$'000
				LOW	HIGH	
Infrastructure	29,998	Discounted Cash Flow	Discount rate	6%	14%	(457)
		Recovery Approach	EBITDA multiple	6.5x	6.5x	
		Latest round of financing	NA	NA	NA	
Infrastructure Services	36,101	Discounted Cash Flow	Discount rate	8%	12%	(610)
		Option Pricing Model	Risk Free Rate	4%	4%	
Energy Transition	16,560	Public comparables	EBITDA multiple	4.0x	8.0x	(783)
		Public comparables	Revenue multiple	1.3x	4.0x	
		Latest round of financing	NA	NA	NA	
Services	13,022	Discounted cash flow	Discount Rate	6%	7%	(666)
		Public comparables	EBITDA multiple	6.5x	7.5x	
		Waterfall Approach	NA	NA	NA	
	95,681^(a)					(2,516)

- (a) The difference between the fair value of the SPVs of \$94.6m and the fair value of the underlying investments at 31 December 2022 is due to cash balances of \$6.7m and residual liabilities including the RCF of \$7.7m, held within the SPVs.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

For the year ended 31 December 2023

5. UNCONSOLIDATED SUBSIDIARIES

The following table shows subsidiaries of the Company. As the Company is regarded as an Investment Entity as referred to in note 3, these subsidiaries have not been consolidated in the preparation of the financial statements:

INVESTMENT	PLACE OF BUSINESS	OWNERSHIP INTEREST AS AT 31 DECEMBER 2023	OWNERSHIP INTEREST AS AT 31 DECEMBER 2022
Held directly			
Riverstone International Credit Corp.	USA	100%	100%
Riverstone International Credit L.P.	USA	100%	100%
Held indirectly			
Riverstone International Credit – Direct L.P.	USA	100%	100%

The registered office of the above subsidiaries is c/o The Corporation Trust Company, Corporation Trust Center, 1209 Orange Street, Wilmington, Delaware 19801.

Riverstone International Credit Corp. had a net asset value of \$28.6m at 31 December 2023 (2022: \$30.0m) with a profit of \$1.7m (2022: \$9.6m).

The amounts invested in the Company's unconsolidated subsidiaries during the year and their carrying value at 31 December 2023 are as outlined in note 4, comprising:

	31 DECEMBER 2023			31 DECEMBER 2022		
	RIVERSTONE INTERNATIONAL CREDIT CORP. \$'000	RIVERSTONE INTERNATIONAL CREDIT L.P. \$'000	TOTAL \$'000	RIVERSTONE INTERNATIONAL CREDIT CORP. \$'000	RIVERSTONE INTERNATIONAL CREDIT L.P. \$'000	TOTAL \$'000
Opening balance at 1 January	89,384	5,186	94,570	86,805	320	87,125
Restructure of investments	–	–	–	309	(309)	–
Investment additions	–	–	–	11,439	12,693	24,132
Investment realisations	–	–	–	(12,692)	(7,939)	(20,631)
Loan interest receivable	1,403	–	1,403	–	–	–
Movement in fair value	(1,381)	47	(1,334)	3,523	421	3,944
Closing balance at 31 December	89,406	5,233	94,639	89,384	5,186	94,570

On 7 December 2022, the Company's SPVs entered a senior secured RCF agreement for \$15.0 million to enter into new commitments ahead of anticipated realisations, enabling the Company to minimise the drag on returns of uninvested capital. The borrowers as defined per the RCF are Riverstone International Credit – Direct L.P. and Riverstone International Credit L.P., and the guarantors are the Company, Riverstone Credit Opportunities Income Partners – Direct L.L.C., a Delaware limited liability company and Riverstone Credit Opportunities Income Partners L.L.C., a Delaware limited liability company. The first \$5.0 million of the senior secured RCF was drawn at 31 December 2023 and the remaining \$10.0 million undrawn commitment is available for future borrowings. Pursuant to the RCF agreement, the interest rate per annum on each borrowing under the RCF can be referenced to SOFR + 6.50% with a 100bps SOFR floor.

During 2023, the SPVs borrowed \$nil million, incurred \$nil million in fees and \$0.9m in interest. Interest is recorded in the interest expense at the SPV level and is also included in the SPVs' net asset value. The interest rate on 2023 borrowings was SOFR plus 6.50%.

There are no restrictions on the ability of the Company's unconsolidated subsidiaries to transfer funds in the form of cash distributions or repayment of loans. All of the Company's interest income and dividend income is receivable directly from the Company's SPVs.

6. TRADE AND OTHER RECEIVABLES

	31 DECEMBER 2023 \$'000	31 DECEMBER 2022 \$'000
Prepayments	72	76
VAT receivable	22	33
Bank interest receivable	3	15
	97	124

7. TRADE AND OTHER PAYABLES

	31 DECEMBER 2023 \$'000	31 DECEMBER 2022 \$'000
Profit share payable	879	1,685
Other payables	188	204
	1,067	1,889

8. SHARE CAPITAL AND RESERVES

DATE	ISSUED AND FULLY PAID	NUMBER OF SHARES ISSUED	SHARE CAPITAL	CAPITAL REDEMPTION RESERVE	OTHER DISTRIBUTABLE RESERVES	TOTAL
GBP			£'000	£'000	£'000	£'000
1 January 2023		1	–	–	–	–
31 December 2023		1	–	–	–	–
USD			\$'000	\$'000	\$'000	\$'000
1 January 2023		90,805,237	908	92	90,528	91,528
31 December 2023		90,805,237	908	92	90,528	91,528

As at 31 December 2023 the Company's authorised and issued share capital comprises 90,805,237 Ordinary Shares at \$0.01 per share and 1 E Share at \$1 per share. Ordinary Shareholders are entitled to all distributions paid by the Company and, on a winding up, provided the Company has satisfied all of its liabilities, the Shareholders are entitled to all of the surplus assets of the Company. E shares are non-redeemable shares and grant the registered holders the right to receive notice of and to attend but, except where there are no other shares of the Company in issue, not to speak or vote (either in person or by proxy) at any general meeting of the Company.

DATE	ISSUED AND FULLY PAID	NUMBER OF SHARES ISSUED	SHARE CAPITAL	CAPITAL REDEMPTION RESERVE	OTHER DISTRIBUTABLE RESERVES	TOTAL
GBP			£'000	£'000	£'000	£'000
1 January 2022		1	–	–	–	–
31 December 2022		1	–	–	–	–
USD			\$'000	\$'000	\$'000	\$'000
1 January 2022		91,545,383	915	85	91,179	92,179
Repurchase and cancellation of Ordinary Shares		(740,146)	(7)	7	(651)	(651)
31 December 2022		90,805,237	908	92	90,528	91,528

As at 31 December 2022 the Company's authorised and issued share capital comprises 90,805,237 Ordinary Shares at \$0.01 per share and 1 E Share at \$1 per share.

During 2022, the Company repurchased and cancelled 740,146 Ordinary Shares as part of its buy-back programme. Further details regarding the Company's purchase of its own shares are in the Chairman's Statement on page 4.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

For the year ended 31 December 2023

9. RETAINED EARNINGS

	FOR THE YEAR ENDED 31 DECEMBER 2023			FOR THE YEAR ENDED 31 DECEMBER 2022		
	REVENUE RESERVE \$'000	CAPITAL RESERVE \$'000	TOTAL \$'000	REVENUE RESERVE \$'000	CAPITAL RESERVE \$'000	TOTAL \$'000
Opening balance	3,471	3,477	6,948	1,588	(467)	1,121
Profit / (loss) and total comprehensive income in the year	7,054	(1,334)	5,720	8,904	3,944	12,848
Distributions paid in the year	(8,172)	–	(8,172)	(7,021)	–	(7,021)
Closing balance	2,353	2,143	4,496	3,471	3,477	6,948

10. AUDIT FEES

Other operating expenses include fees payable to the Company's Auditor, which can be analysed as follows:

	FOR THE YEAR ENDED 31 DECEMBER 2023 \$'000	FOR THE YEAR ENDED 31 DECEMBER 2022 \$'000
Fees to the Company's Auditor		
for other audit related services	255	206
for non-audit services	29	24
	284	230

Other fees paid to the Company's Auditor for other audit related services of \$29k (2022: \$24k) were in relation to a review of the Interim Report. There were nil fees paid for other non-audit services in the year (2022: \$nil).

11. TAX

As an investment trust, the Company is exempt from UK corporation tax on capital gains arising on the disposal of shares. Capital profits from its loan relationships are exempt from UK tax where the profits are accounted for through the Capital column of the Statement of Comprehensive Income, in accordance with the AIC SORP.

The Company has made a streaming election to HMRC in respect of distributions and is entitled to deduct interest distributions paid out of income profits arising from its loan relationships in computing its UK corporation tax liability. Therefore, no tax liability has been recognised in the financial statements.

	FOR THE YEAR ENDED 31 DECEMBER 2023			FOR THE YEAR ENDED 31 DECEMBER 2022		
	REVENUE RESERVE \$'000	CAPITAL RESERVE \$'000	TOTAL \$'000	REVENUE RESERVE \$'000	CAPITAL RESERVE \$'000	TOTAL \$'000
UK Corporation tax charge on profits for the year at 19%/25% (2022: 19%)	–	–	–	–	–	–

	FOR THE YEAR ENDED 31 DECEMBER 2022			FOR THE YEAR ENDED 31 DECEMBER 2021		
	REVENUE \$'000	CAPITAL \$'000	TOTAL \$'000	REVENUE \$'000	CAPITAL \$'000	TOTAL \$'000
Return on ordinary activities before taxation	7,054	(1,334)	5,720	8,904	3,944	12,848
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19%/25% (2022: 19%)	1,658	(313)	1,344	1,692	749	2,441
Effects of:						
Non-taxable investment gains / (losses) on investments	–	313	313	–	(749)	(749)
Non-taxable dividend income	(873)	–	(873)	(1,254)	–	(1,254)
Tax deductible interest distributions	(1,299)	–	(1,299)	(438)	–	(438)
Movement in deferred tax not recognised	514	–	514	–	–	–
Total tax charge	–	–	–	–	–	–

As at 31 December 2023 the Company has excess management expenses of \$5,274,713 that are available to offset future taxable revenue. A deferred tax asset of \$1,318,678 measured at the standard corporation tax rate of 25% has not been recognised in respect of these expenses since the Directors believe that, due to the tax deductibility of interest distributions, there will be no taxable profits in the future against which the deferred tax asset can be offset.

Deferred tax is not provided on capital gains and losses arising on the revaluation or disposal of investments because the Company meets (and intends to continue to meet for the foreseeable future) the conditions for approval as an Investment Trust company.

Taxes are based on the UK Corporate tax rates which existed as of the balance sheet date which was 25%. The main rate of corporation tax changed from 19% to 25% from 1 April 2023 for companies with profits over £250,000.

12. PROFIT SHARE

Under the Investment Management Agreement, the Investment Manager will not charge any base or other ongoing management fees, but will be entitled to reimbursement of reasonable expenses incurred by it in the performance of its duties. The Investment Manager will receive from the Company, a Profit Share based on the Company's income, as calculated for UK tax purposes and the Company's Capital Account. The Profit Share will be payable quarterly at the same time as the Company pays its distributions, subject to an annual reconciliation in the last quarter of each year.

- a) an amount equal to 20 percent of the amount by which the Distributable Income exceeds an amount equal to 4 percent of the Company's Capital Amount; plus
- b) an additional amount equal to 10 percent of the amount by which the Distributable Income exceeds an amount equal to 8 percent of the Capital Amount.

The Capital Amount is equal to the gross proceeds of the issue of Ordinary Shares at IPO, plus the net proceeds of any future issues of Ordinary Shares, less any amounts expended by the Company on share repurchases and redemptions or, following the option to be given to Shareholders around the time of the Company's AGM in 2024 to elect to convert all or some of their shares into Realisation Shares.

Annual reconciliation and cap

At the end of the Company's financial year, the Profit Share will undergo an annual reconciliation. In the event that the annual reconciliation results in a reduction of the aggregate Profit Share payable to the Investment Manager, the Profit Share payable in the fourth quarter will be reduced to no less than zero by the relevant amount, with any remaining reduction carried forward to Profit Shares otherwise payable in respect of future quarters. In addition, the amount payable to the Investment Manager as a Profit Share in any year will be limited to a maximum of 5 percent of the prevailing NAV.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

For the year ended 31 December 2023

12. PROFIT SHARE CONTINUED**Capital loss adjustment**

If, in any financial year the Company suffers a capital loss which (disregarding the impact of any distributions paid or payable by the Company) causes the closing Net Asset Value per Ordinary Share for the year to fall below the lower of: (a) US\$1.00; or (b) the closing Net Asset Value per Ordinary Share for the prior year, then the amount of the Distributable Income for the year equal to the amount by which the capital loss causes the Net Asset Value to fall below that threshold amount will be ignored for the purposes of calculating the Profit Share for that year. If the amount by which the capital loss causes the Net Asset Value to fall below the threshold amount is greater than the Distributable Income for the year, then the amount of any excess will be carried forward to following years until it is set off against Distributable Income in full. The capital loss test will be applied as a part of the annual reconciliation of the Profit Share.

Amounts paid or accrued as Profit Share during the year were \$873k (2022: \$1,679k).

13. EARNINGS PER SHARE AND NET ASSETS PER SHARE

	FOR THE YEAR ENDED 31 DECEMBER 2023			FOR THE YEAR ENDED 31 DECEMBER 2022		
	REVENUE	CAPITAL	TOTAL	REVENUE	CAPITAL	TOTAL
Profit/(loss) attributable to equity holders of the Company – \$'000	7,054	(1,334)	5,720	8,904	3,944	12,848
Weighted average number of Ordinary Shares in issue			90,805,237			91,202,984
Basic and diluted earnings and loss per Share from continuing operations in the year (cents)	7.77	(1.47)	6.30	9.76	4.32	14.08

There are no dilutive shares in issue.

Net assets per share

	31 DECEMBER 2023	31 DECEMBER 2022
Net assets – \$'000	96,024	98,476
Number of Ordinary Shares issued	90,805,237	90,805,237
Net assets per Share (cents)	105.75	108.45

14. DISTRIBUTIONS DECLARED WITH RESPECT TO THE YEAR

DISTRIBUTIONS PAID DURING THE YEAR	2023		2022	
	DISTRIBUTION PER SHARE CENTS	TOTAL DISTRIBUTION \$'000	DISTRIBUTION PER SHARE CENTS	TOTAL DISTRIBUTION \$'000
With respect to the period ended 31 December 2022	3.00	2,724	1.70	1,556
With respect to the quarter ended 31 March	2.00	1,816	2.00	1,831
With respect to the quarter ended 30 June	2.00	1,816	2.00	1,818
With respect to the quarter ended 30 September	2.00	1,816	2.00	1,816
	9.00	8,172	7.70	7,021

DISTRIBUTIONS DECLARED AFTER 31 DECEMBER 2023 AND NOT ACCRUED IN THE PERIOD	2023		2022	
	DISTRIBUTION PER SHARE CENTS	TOTAL DISTRIBUTION \$'000	DISTRIBUTION PER SHARE CENTS	TOTAL DISTRIBUTION \$'000
With respect to the quarter ended 31 December	2.5	2,291	3.00	2,746

On 20 February 2024, the Board approved a distribution of 2.5 cents per share in respect to the quarter ended 31 December 2023. The record date for the distribution is 1 March 2024 and the payment date is 22 March 2024.

All capitalised terms are defined in the list of defined terms on page 80 to 81 unless separately defined.

15. FINANCIAL RISK MANAGEMENT

Financial risk management objectives

The Company's investing activities, through its investment in the SPVs, intentionally expose it to various types of risks that are associated with the underlying investee companies of the SPVs. The Company makes the investment in order to generate returns in accordance with its investment policy and objectives.

The most important types of financial risks to which the Company is exposed are market risk (including price, interest rate and foreign currency risk), liquidity risk and credit risk. The Board of Directors has overall responsibility for the determination of the Company's risk management and sets policy to manage that risk at an acceptable level to achieve those objectives. The policy and process for measuring and mitigating each of the main risks are described below.

The Investment Manager and the Administrator provide advice to the Company which allows it to monitor and manage financial risks relating to its operations through internal risk reports which analyse exposures by degree and magnitude of risks. The Investment Manager and the Administrator report to the Board on a quarterly basis.

Categories of financial instruments

For financial assets and liabilities carried at amortised cost, the Directors are of the opinion that their carrying value approximates their fair value.

	31 DECEMBER 2023 \$'000	31 DECEMBER 2022 \$'000
Financial assets		
Investment at fair value through profit or loss:		
Investment in the SPVs	94,639	94,570
Other financial assets:		
Cash and cash equivalents	627	957
Loan interest receivable	–	1,263
Dividends receivable	1,728	3,451
Trade and other receivables	97	124
Financial liabilities		
Financial liabilities:		
Trade and other payables	(1,067)	(1,889)

Capital risk management

The Company manages its capital to ensure that it will be able to continue as a going concern while maximising the capital return to Shareholders. The capital structure of the Company consists of issued share capital, retained earnings and other distributable reserves, as stated in the Statement of Financial Position.

In order to maintain or adjust the capital structure, the Company may buy back shares or issue new shares. There are no external capital requirements imposed on the Company.

During the year ended 31 December 2023, the Company had \$nil borrowings (2022: \$nil). The Company's SPVs had no new borrowings during the year, with borrowings remaining \$5m as at 31 December 2023 (2022: \$5m).

The Company's investment policy is set out in the Strategic Report on page 6.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

For the year ended 31 December 2023

15. FINANCIAL RISK MANAGEMENT CONTINUED**Market risk**

Market risk includes price risk, foreign currency risk and interest rate risk.

a) Price risk

The underlying investments held by the SPVs present a potential risk of loss of capital to the SPVs and hence to the Company. The Company invests through the SPVs and as outlined in note 4, investments in the SPVs are in the form of senior loans and equity with protective provisions in place. Price risk arises from uncertainty about future prices of underlying financial investments held by the SPVs. As at 31 December 2023, the fair value of investments, excluding cash and cash equivalents of SPVs, was \$71,013k (2022: \$87,879k) and a 3 percent increase / (decrease) (2022: 3 percent) in the price of investments with all other variables held constant would result in a change to the fair value of investments of + / - \$2,130k (2022: \$2,636k). A change in interest rates could have an impact on the price risk associated with the underlying investee companies, which is factored into the fair value of investments. Please refer to note 4 for quantitative information about the fair value measurements of the Company's Level 3 investments. The SPVs are exposed to a variety of risks which may have an impact on the carrying value of the Company's investments. The SPVs' risk factors are set out in (a)(i) to (a)(iii) below.

i. Not actively traded

The SPVs' investments are not generally traded in an active market but are indirectly exposed to market price risk arising from uncertainties about future values of the investments held. The underlying investments of the SPVs vary as to industry sub-sector, geographic distribution of operations and size, all of which may impact the susceptibility of their valuation to uncertainty.

ii. Concentration

The Company, through the SPVs, invests in the energy sector, with a particular focus on businesses that engage in oil and gas E&P and midstream investments in that sector. This means that the Company is exposed to the concentration risk of only making investments in the energy sector, which concentration risk may further relate to sub-sector, geography, and the relative size of an investment or other factors. Whilst the Company is subject to the investment and diversification restrictions in its investment policy, within those limits, material concentrations of investments may arise.

Although the investments are in the same industry, this risk is managed through careful selection of investments within the specified limits of the investment policy. The investments are monitored on a regular basis by the Investment Manager.

The Board and the Investment Manager monitor the concentration of the investment in the SPVs on a quarterly basis to ensure compliance with the investment policy.

iii. Liquidity

The Company's liquidity risk lies with its SPVs as the amount of cash invested through the SPVs in the underlying investments is dynamic in nature. The SPVs will maintain flexibility in funding by keeping sufficient liquidity in their borrowings, cash and cash equivalents. Cash and cash equivalents may be invested on a temporary basis in line with the cash management policy as agreed by the Board from time to time.

As at 31 December 2023, \$23.6 million or 25 percent (2022: \$6.7 million or 7.0 percent) of the SPVs' financial assets, were money market fixed deposits and cash balances held on deposit with several A- or higher rated banks.

b) Foreign currency risk

The Company has exposure to foreign currency risk due to the payment of some expenses in Pounds Sterling. Consequently, the Company is exposed to risks that the exchange rate of its currency relative to other foreign currencies may change in a manner that has an adverse effect on the value of that portion of the Company's assets or liabilities denominated in currencies other than the US Dollar. Any exposure to foreign currency risk at the underlying investment level is captured within price risk.

The following table sets out, in US Dollars, the Company's total exposure to foreign currency risk and the net exposure to foreign currencies of the monetary assets and liabilities:

AS AT 31 DECEMBER 2023	\$ \$'000	£ \$'000	TOTAL \$'000
Non-current assets			
Investments at fair value through profit or loss	94,639	–	94,639
Total non-current assets	94,639	–	94,639
Current assets			
Loan interest receivable	–	–	–
Trade and other receivables	75	22	97
Dividends receivable	1,728	–	1,728
Cash and cash equivalents	626	1	627
Total current assets	2,429	23	2,452
Current liabilities			
Trade and other payables	(1,064)	(3)	(1,067)
Total current liabilities	(1,064)	(3)	(1,067)
Total net assets	96,004	20	96,024
AS AT 31 DECEMBER 2022	\$ \$'000	£ \$'000	TOTAL \$'000
Non-current assets			
Investments at fair value through profit or loss	94,570	–	94,570
Total non-current assets	94,570	–	94,570
Current assets			
Loan interest receivable	1,263	–	1,263
Trade and other receivables	91	33	124
Dividends receivable	3,451	–	3,451
Cash and cash equivalents	956	1	957
Total current assets	5,761	34	5,795
Current liabilities			
Trade and other payables	(1,883)	(6)	(1,889)
Total current liabilities	(1,883)	(6)	(1,889)
Total net assets	98,448	28	98,476

The Directors do not consider that the foreign currency exchange risk at the balance sheet date is material and therefore sensitivity analysis for the foreign currency risk has not been provided.

c) Interest rate risk

The Company's exposure to interest rate risk relates to the Company's cash and cash equivalents held directly and through the Company's SPVs as well as interest expense on the Revolving Credit Facility held at the Company's SPV. The Company's loan to Riverstone International Credit Corp. does not bear an interest rate risk due to it being a fixed rate loan. The Company is subject to risk due to fluctuations in the prevailing levels of market interest rates. Any excess cash and cash equivalents are invested at short-term market interest rates. As at the date of the Statement of Financial Position, the majority of the SPVs' cash and cash equivalents were held on interest bearing fixed deposit accounts. Any exposure to interest rate risk at the underlying investment level is captured within price risk.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

For the year ended 31 December 2023

15. FINANCIAL RISK MANAGEMENT CONTINUED

The Company has no other interest-bearing assets or liabilities as at the reporting date. As a consequence, the Company is only exposed to variable market interest rate risk. As at 31 December 2023, cash balance held by the Company (including cash held at the SPVs) was \$24.2 million (2022: \$7.7 million). A 1.0 percent (2022: 1.0 percent) increase / (decrease) in interest rates with all other variables held constant would result in a change to interest received of + / - \$242,532 (2022: \$76,480) per annum. As at 31 December 2023, the RCF held by the Company's SPVs was \$5m (2022: \$5m). A 1.0 percent (2022: 1.0 percent) increase/ (decrease) in interest rate with all other variables held would result in a change to interest paid +/- of \$50,000 (2022: \$50,000).

Liquidity risk

Ultimate responsibility for liquidity risk management rests with the Board of Directors.

Liquidity risk is defined as the risk that the Company may not be able to settle or meet its obligations on time or at a reasonable price. The Company's liabilities are made up of estimated accruals and trade creditors which are due to be settled within three months of the year end.

Riverstone Credit Opportunities Income PLC is the guarantor for the Revolving Credit Facility. The SPVs are required to maintain a LTV Ratio above the Covenant LTV of 22% at each borrowing request date. The LTV Ratio is calculated as the total outstanding principal and accrued interest on the facility divided by the Aggregate NAV. At 31 December 2023, the SPVs were compliant with the Covenant LTV and the full amount of the undrawn commitment is available.

The Company adopts a prudent approach to liquidity management and through the preparation of budgets and cash flow forecasts maintains sufficient cash reserves to meet its obligations. The Company's SPVs has a Revolving Credit Facility of \$15m, with an undrawn amount as at 31 December 2023 of \$10m (2022: \$10m). Cash balances held by the Company (including cash held at the SPVs) was \$24.2 million (2022: \$7.7 million). This enables the Company to remain over 100% invested while still retaining the necessary liquidity to meet ongoing expenses and future obligations under delay-draw loan commitments.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Any exposure to credit risk at the underlying investment level is captured within price risk.

The carrying value of the underlying investments held by the SPVs as at 31 December 2023 was \$76.7 million (2022: \$95.7 million).

Financial assets mainly consist of cash and cash equivalents and investments at fair value through profit or loss. The Company's risk on liquid funds is reduced because it can only deposit monies with institutions with a minimum credit rating of 'A'. The Company mitigates its credit risk exposure on its investments at fair value through profit or loss by the exercise of due diligence on the counterparties of the SPVs and the Investment Manager.

The table below shows the material cash balances and the credit rating for the counterparties used by the Company at the year-end date:

Counterparty	LOCATION	RATING	31 DECEMBER	LOCATION	RATING	31 DECEMBER
			2023			2022
			\$'000			\$'000
JPMorgan Chase Bank	USA	A-	627	USA	A-	957

The Company's maximum exposure to loss of capital at the year end is shown below:

Carrying value and maximum exposure

	31 DECEMBER 2023 \$'000	31 DECEMBER 2022 \$'000
31 December 2023		
Investment at fair value through profit or loss Investments in the SPVs	94,639	94,570
Other financial assets (including cash and equivalents but excluding prepayments)	2,380	5,719

Gearing

As at the date of these financial statements the Company has no gearing (2022: none).

16. RELATED PARTY TRANSACTIONS**Directors**

The Company has three non-executive Directors. Directors' fees for the year ended 31 December 2023 amounted to \$150k (2022: \$148k), of which \$nil was outstanding at year end (2022: \$nil). Amounts paid to Directors as reimbursement of travel and other incidental expenses during the year amounted to \$10k (2022: \$32k), of which \$nil was outstanding at year end (2022: \$nil).

SPVs

In 2019, the Company provided a loan to the US Corp. of \$62.1m which accrues interest at 9.27 percent. Any interest that is unable to be repaid at each quarter end is capitalised and added to the loan balance. Total interest in relation to the year was \$5.5m (2022: \$5.4m) of which \$4.1m was received in cash (2022: \$5.5m), \$nil was capitalised (2022: \$nil) and \$1.4m remained outstanding at 31 December 2023 and will be received on 22 March 2024 (31 December 2022: \$1.3m outstanding, received on 16 February 2023). The balance on the loan investment at 31 December 2023 was \$59.4m (2022: \$59.4m). The Company's has equity investments, the balance of these equity investments at 31 December 2023 was \$33.8m (2022: \$35.2m) During the year the equity investments had a fair value movement of \$1.3m (2022 : \$3.9m).

During 2022, the SPVs entered into a Revolving Credit Facility ("facility") Agreement for \$15.0 million with BC Partners. The SPV borrowings from the facility at 31 December 2023 were \$5 million, leaving the remaining \$10 million undrawn commitment for future borrowings. The guarantors are the Company, Riverstone Credit Opportunities Income Partners – Direct L.L.C., a Delaware limited liability company and Riverstone Credit Opportunities Income Partners L.L.C., a Delaware limited liability company. The SPVs are required to maintain a LTV Ratio below the Covenant LTV of 22% at each borrowing request date.

The LTV Ratio is calculated as the total outstanding principal and accrued interest on the facility divided by the Aggregate NAV. At 31 December 2023, the SPVs were compliant with the Covenant LTV and the full amount of the undrawn commitment is available.

Investment Manager

The Investment Manager is an affiliate of Riverstone and provides advice to the Company on the origination and completion of new investments, the management of the portfolio and on realisations, as well as on funding requirements, subject to Board approval. For the provision of services under the Investment Management Agreement, the Investment Manager earns a Profit Share, as detailed in note 12. The Investment Manager is entitled to reimbursement of any reasonable expenses incurred in relation to management of the Company and amounts reimbursed during the year were \$261k (2022: \$190k). Christopher Abbate, a partner of the IM and portfolio manager of RCOI, purchased nil shares during the year (2022: 5k). Jamie Brodsky, also a partner of the Investment Manager and portfolio manager of RCOI, purchased nil shares during the period (2022: nil).

17. ULTIMATE CONTROLLING PARTY

In the opinion of the Board, on the basis of the shareholdings advised to them, the Company has no ultimate controlling party.

18. SUBSEQUENT EVENTS

On 12 January 2024, the outstanding \$5m Revolving Credit Facility held through the Company's SPV Riverstone International Credit- Direct L.P. was paid in full. The RCF remains in place for any future drawdowns.

With the exception of distributions declared and disclosed in note 14, there are no other material subsequent events.

GLOSSARY OF CAPITALISED DEFINED TERMS

Administrator means Ocorian Administration UK Limited

Admission means admission of the Ordinary Shares on 28 May 2019, to the Official List and/or admission to trading on the Specialist Fund Segment of the London Stock Exchange, as the context may require

AGM means Annual General Meeting

AIC means the Association of Investment Companies

AIC Code means the AIC Code of Corporate Governance

AIC SORP means the Statement of Recommended Practice issued by the AIC in November 2014 and updated in January 2017 for the Financial Statements of Investment Trust Companies and Venture Capital Trusts

Annual Report means the Company's yearly report and financial statements for the year ended 31 December 2023

APLMA means Asia Pacific Loan Market Association

Auditor means Ernst & Young LLP or EY

Board means the Directors of the Company

Borrower means entities operating in the energy sector that issue loans, notes, bonds, and other debt instruments including convertible debt

Breakwall means Breakwall Capital LP

Capital Amount means the amount of gross proceeds of the IPO, plus the net proceeds of any future issues of Ordinary Shares, less any amounts expended by the Company on share repurchases and redemptions or, following a Realisation Election, attributable to Realisation Shares

Clean Energy Fuels or CLNE means Clean Energy Fuels Corp.

Company or RCOI means Riverstone Credit Opportunities Income Plc

Directors means the Directors of the Company

Distributable Income means the Company's income, as calculated for UK tax purposes

DTR means the Disclosure Guidance and Transparency Rules sourcebook issued by the Financial Conduct Authority

EPIC means Epic Propane

ESG means environmental, social and governance

E&P means exploration and production

FCA means the UK Financial Conduct Authority (or its successor bodies)

Firm or Investment Manager means Riverstone Investment Group LLC

GHG mean greenhouse gases

GREEN LOAN means to align lending and environmental objectives. It refers to any type of loan instrument made available exclusively to finance or re-finance, in whole or in part, new and/or existing eligible Green Projects. Green loans must align with the four components of the Green Loan Principles. We strive to enhance the decarbonisation impact of our credit portfolio and advance the energy transition infrastructure

GREEN LOAN PRINCIPLES means a clear framework of the characteristics of a Green Loan with four core components 1. Use of Proceeds, 2. Process for the Project Evaluation and Selection, 3. Management of Proceeds and 4. Reporting. The Green Loan principles promote the development and integrity of the Green Loan product through leading financial institutions active in the global loan markets. Green Loan Principles (GLP) have been developed by an experienced working party, consisting of representatives from leading financial institutions active in the global syndicated loan markets, with a view to promoting the development and integrity of the Green Loan product. The GLP comprise voluntary recommended guidelines, to be applied by market participants on a deal-by-deal basis depending on the underlying characteristics of the transaction, which seek to promote integrity in the development of the Green Loan market by clarifying the instances in which a loan may be categorised as "green"

Hoover CS means Hoover Circular Solution

IAS means the international accounting standards

IFRS means the International Financial Reporting Standards, being the principles-based accounting standards, interpretations and the framework by that name issued by the International Accounting Standards Board

Investment Management Agreement means the Investment Management Agreement entered into between the Investment Manager and the Company

IPCC means Intergovernmental Panel on Climate Change

IPEV Valuation Guidelines means the International Private Equity and Venture Capital Valuation Guidelines

All capitalised terms are defined in the list of defined terms on page 80 to 81 unless separately defined.

IPO means the initial public offering of shares by a private company to the public

IRR means internal rate of return

Listing Rules means the listing rules made by the UK Listing Authority under Section 73A of the Financial Services and Markets Act 2000

LMA means Loan Market Association

London Stock Exchange or **LSE** means London Stock Exchange plc

LSTA means Loan Syndications & Trading Association

LTV means loan to value ratio

Main Market means the main market of the London Stock Exchange

MAX means Max Energy Industrial Holdings US LLC

MOIC mean multiple on invested capital

NAV or **Net Asset Value** means the value of the assets of the Company less its liabilities as calculated in accordance with the Company's valuation policy and expressed in US dollars

Ordinary Shares means ordinary shares of \$0.01 in the capital of the Company issued and designated as 'Ordinary Shares' and having the rights, restrictions and entitlements set out in the Company's articles of incorporation

Other Riverstone Funds means other Riverstone-sponsored, controlled or managed entities, which are or may in the future be managed or advised by the Investment Manager or one or more of its affiliates, excluding the SPV

Profit Share means the payments to which the Investment Manager is entitled in the circumstances and as described in the notes to the financial statements

RCF or **Facility** means Revolving Credit Facility

RCP means Riverstone Credit Partners

RCOI mean Riverstone Credit Opportunities Income plc or the Company

RIC D means Riverstone International Credit – Direct, L.P.

Riverstone means Riverstone Investment Group LLC or the Investment Manager

RNG means Riverstone Natural Gas

Realisation Shares means realisation shares of US\$0.01 in the capital of the Company, as defined in the prospectus

Seawolf means Seawolf Water Resources

Specialist Fund Segment means the Specialist Fund Segment of the London Stock Exchange's Main Market

SPT means Sustainable performance targets

SPV means any intermediate holding or investing entities that the Company may establish from time to time for the purposes of efficient portfolio management and to assist with tax planning generally and any subsidiary undertaking of the Company from time to time

Sub-Manager means Breakwall Capital LP

Sustainability-Linked Loans or **SLL** means a loan with the aim to facilitate and support environmentally and socially sustainable economic activity and growth. We seek to enhance the decarbonisation impact of our credit portfolio and enhance the energy transition infrastructure. Sustainability-Linked Loans follow a set of Sustainability-Linked Loan Principles (SLLP) which were originally published in 2019 and provide a framework to Sustainability-Linked Loan structures. In order to promote the development of this product, and underpin its integrity, the APLMA, LMA and LSTA considered it appropriate to produce Guidance on the SLLP, to provide market practitioners with clarity on their application and approach

Sustainability-Linked Loan Principles (SLLP) means principles originally published in 2019 and provide a framework to Sustainability-Linked Loan structures

TCFD means the Task Force on Climate-Related Financial Disclosures

Term Loan means Sustainability-Linked first lien term loan

Toolkit means the Riverstone ESG Toolkit

UK or **United Kingdom** means the United Kingdom of Great Britain and Northern Ireland

UK Code means the UK Corporate Governance Code issued by the FRC

US or **United States** means the United States of America, its territories and possessions, any state of the United States and the District of Columbia

US Corp means Riverstone International Credit Corp

Warrants means detachable warrants over new ordinary shares in the Company

All capitalised terms are defined in the list of defined terms on page 80 to 81 unless separately defined.

DIRECTORS AND GENERAL INFORMATION

DIRECTORS

Reuben Jeffery, III (Chairman) (appointed 2 April 2019)

Emma Davies (Audit and Risk Committee Chair) (appointed 2 April 2019)

Edward Cumming-Bruce (Nomination Committee Chair) (appointed 2 April 2019)

all independent and of the registered office below

Registered Office to 15 February 2023

27-28 Eastcastle Street
London
W1W 8DH

Registered Office from 16 February 2023

5th Floor
20 Fenchurch Street
London
EC3M 3BY

Investment Manager

Riverstone Investment Group LLC
c/o The Corporation Trust Company
Corporation Trust Center
1209 Orange Street
Wilmington
Delaware 19801

Company Secretary and Administrator

Ocorian Administration (UK) Limited
5th Floor
20 Fenchurch Street
London
EC3M 3BY

Independent Auditor

Ernst & Young LLP
25 Churchill Place
London
E14 5EY

Legal Adviser to the Company

Hogan Lovells LLP
Atlantic House
50 Holborn Viaduct
London
EC1A 2FG

Sub-investment Manager

Breakwall Capital LP
174 Bellevue Avenue, Suite 200-A
Newport, RI 02840

Website: www.riverstonecoi.com

ISIN GB00BJHPS390

Ticker RCOI

Sedol BJHPS39

Registered Company Number 11874946

Registrar

Link Asset Services
The Registry
Central Square
29 Wellington Street
Leeds
LS1 4DL

Sole Bookrunner

J.P. Morgan Securities plc
25 Bank Street
Canary Wharf
London
E14 5JP

Receiving Agent

Link Asset Services
Corporate Actions
The Registry
Central Square
29 Wellington Street
Leeds
LS1 4DL

Principal Banker and Custodian

J.P. Morgan Chase Bank, N.A.
270 Park Avenue
New York
NY 10017-2014

SWISS SUPPLEMENT

ADDITIONAL INFORMATION FOR INVESTORS IN SWITZERLAND

This Swiss Supplement is supplemental to, forms part of and should be read in conjunction with the annual report for the half year ended December 31 2023 for Riverstone Credit Opportunities Income Plc (the 'Fund').

The Fund has appointed Société Générale as Swiss Representative and Paying Agent. The Confidential Memorandum, the Articles of Association as well as the annual report of the Fund can be obtained free of charge from the representative in Switzerland, Société Générale, Paris, Zurich Branch, Talacker 50, P.O. Box 5070, CH-8021 Zurich. The paying agent of the Fund in Switzerland is Société Générale, Paris, Zurich Branch, Talacker 50, P.O. Box 5070, CH-8021 Zurich. The Company may offer Shares only to qualified investors in Switzerland. In respect of the Shares distributed in and from Switzerland, the place of performance and jurisdiction is the registered office of the Swiss Representative.

CAUTIONARY STATEMENT

The Chairman's Statement and Investment Manager's Report have been prepared solely to provide additional information for Shareholders to assess the Company's strategies and the potential for those strategies to succeed. These should not be relied on by any other party or for any other purpose.

The Chairman's Statement and Investment Manager's Report may include statements that are, or may be deemed to be, 'forward-looking statements'. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms 'believes', 'estimates', 'anticipates', 'expects', 'intends', 'may', 'will' or 'should' or, in each case, their negative or other variations or comparable terminology.

These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this document and include statements regarding the intentions, beliefs or current expectations of the Directors and the Investment Manager, concerning, amongst other things, the investment objectives and investment policy, financing strategies, investment performance, results of operations, financial condition, liquidity, prospects, and distribution policy of the Company and the markets in which it invests.

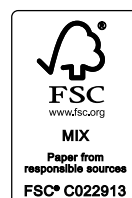
By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performance.

The Company's actual investment performance, results of operations, financial condition, liquidity, distribution policy and the development of its financing strategies may differ materially from the impression created by the forward-looking statements contained in this document.

Subject to their legal and regulatory obligations, the Directors and the Investment Manager expressly disclaim any obligations to update or revise any forward-looking statement contained herein to reflect any change in expectations with regard thereto or any change in events, conditions or circumstances on which any statement is based.

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RCOI

Riverstone Credit
Opportunities Income Plc

**RIVERSTONE CREDIT
OPPORTUNITIES INCOME PLC**

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REVERSE CREDIT OPPORTUNITIES MANUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023