



29 August 2024

The Manager
ASX Market Announcements
ASX Limited
20 Bridge Street
Sydney NSW 2000

ASX Announcement

KKR Credit Income Fund (the “Fund”)

In accordance with ASX listing rules 4.8 and 4.9, a listed entity must give ASX the latest audited financials statements if the entity’s main assets are unlisted entities.

As at 30 June 2024, the Fund’s primary investments are in KKR Lending Partners Europe II (Euro) Unlevered SCSp (“EDL Euro Fund”), KKR Lending Partners Europe III (Euro) SCSp (“EDL III Euro Fund”) and KKR Global Credit Opportunities Access Fund L.P. (the “Access Fund”), which in turn holds investments in KKR GCOF Access Fund Funding L.P. and KKR GCOF Access Fund Holding L.P.

Please find attached copies of the most recent audited financial statements for EDL Euro Fund, EDL III Euro Fund and the Access Fund as at 31 December 2023.

Yours sincerely

Amber Xiao
Client Manager
The Trust Company (RE Services) Limited

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Important Information

This information has been prepared by KKR Australia Investment Management Pty Ltd ABN 42 146 164 454, AFSL 420 085 ("KKR") and is issued and authorised for release by The Trust Company (RE Services) Limited ABN 45 003 278 831, AFSL 235150 ("TTCRESL"). TTCRESL is the responsible entity and issuer of the KKR Credit Income Fund ARSN 634 082 107 ("Trust"). TTCRESL has appointed KKR to act as the manager of the Trust. This update is general information only and is not intended to provide you with financial advice or take into account your objectives, financial situation or needs. You should consider, with a financial adviser, whether the information is suitable for your circumstances. To the extent permitted by law, no liability is accepted for any loss or damage as a result of any reliance on this information. Past performance is not indicative of future performance. This information is believed to be accurate at the time of compilation and is provided in good faith. This information may contain information contributed by third parties. KKR and TTCRESL do not warrant the accuracy or completeness of any information contributed by a third party.

Before making any investment decisions you should consider the Product Disclosure Statement (PDS) for the Trust issued by TTCRESL and the Trust's other periodic and continuous disclosure announcements lodged with the Australian Securities Exchange (ASX), which are available at www.kkcaustralia.com.au or can be obtained by calling 1300-131-856 within Australia.

None of KKR, its affiliates or its related bodies corporate, or any company in the Perpetual Group (Perpetual Group means Perpetual Limited ABN 86 000 431 827 and its subsidiaries) guarantees the performance of the Trust or the return of an investor's capital. This information does not constitute an offer, invitation, solicitation or recommendation with respect to the purchase or sale of the Trust's unit

KKR

**KKR Lending Partners Europe II
(Euro) Unlevered SCSp**

2023 ANNUAL REPORT

KKR Lending Partners Europe II (Euro) Unlevered SCSp

Financial Statements as of and for the
Year ended December 31, 2023 and
Independent Auditor's Report

KKR LENDING PARTNERS EUROPE II (EURO) UNLEVERED SCS_p

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INDEPENDENT AUDITOR'S REPORT

To KKR Lending Partners Europe II (Euro) Unlevered SCSp:

Opinion

We have audited the financial statements of KKR Lending Partners Europe II (Euro) Unlevered SCSp (the "Partnership"), which comprise the statement of financial condition, including the schedule of investments, as of December 31, 2023, and the related statements of operations, changes in partners' capital, and cash flows for the year then ended, and the related notes to the financial statements (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Partnership as of December 31, 2023, and the results of its operations, changes in its partners' capital, and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). 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 required to be independent of the Partnership and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Partnership's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

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 absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Partnership's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Partnership's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Deloitte & Touche LLP

March 28, 2024

KKR LENDING PARTNERS EUROPE II (EURO) UNLEVERED SCSp

STATEMENT OF FINANCIAL CONDITION AS OF DECEMBER 31, 2023 (Stated in Euros, unless otherwise noted) (Amounts in thousands)

ASSETS	
Investments, at estimated fair value	€ 305,735
Cash and cash equivalents	6,482
Accrued interest	6,679
Derivative assets	2,666
Unsettled investment sales	2,860
Deferred finance fee	48
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Total assets	€ 324,470
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LIABILITIES AND PARTNERS' CAPITAL	
LIABILITIES	
Derivative liabilities	€ 2,428
Revolving credit facility	17,332
Due to Manager	453
Payable to Other Entities	156
Accrued interest expense	98
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Total liabilities	20,467
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PARTNERS' CAPITAL	
General Partner	2,059
Limited Partners	301,944
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Total partners' capital	304,003
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TOTAL LIABILITIES AND PARTNERS' CAPITAL	€ 324,470
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See notes to financial statements.

KKR LENDING PARTNERS EUROPE II (EURO) UNLEVERED SCSP

SCHEDULE OF INVESTMENTS

AS OF DECEMBER 31, 2023

(Stated in Euros, unless otherwise noted)

(Amounts in thousands)

Issuer	Asset	Industry	Country	Currency	Coupon	Maturity Date	Quantity	Book value	Estimated Fair Value	Estimated Fair Value as a Percentage of Partners' Capital
Corporate Bonds										
Ardonagh Midco	2 PLC 11.5/01/2027	Insurance	United Kingdom	USD	12.75 %	01/15/2027	2,227 €	1,970 €	1,995	0.66 %
Ultra Electronics Holdings PLC	7.25% 01/2030	Defence and Security	United Kingdom	USD	7.25	01/31/2030	5,160	4,907	4,529	1.49
Ultra Electronics Holdings PLC	9.0% PIK 01/2031	Defence and Security	United Kingdom	USD	9.00	01/31/2030	5,423	5,133	4,656	1.53
Total Corporate Bonds								€ 12,010	€ 11,180	3.68 %
Corporate Loans										
Aareon AG	TL IL 08/23 Unitranche	Housing Management	Germany	EUR	6.25	08/19/2030	4,685	€ 4,567	€ 4,570	1.50 %
Aareon AG	TL IL DD CAR 08/23 EUR	Housing Management	Germany	EUR	6.25	08/19/2030	1,171	1,142	1,143	0.38
Advania Sverige AB	TL IL 05/22 (EUR)	Information Technology Services	Sweden	EUR	6.10	04/28/2028	168	163	166	0.05
Advania Sverige AB	TL IL 09/21 (SEK)	Information Technology Services	Sweden	SEK	6.10	04/28/2028	7,062	672	624	0.21
Advania Sverige AB	TL IL 11/21	Information Technology Services	Sweden	SEK	6.35	04/28/2028	3,146	3,626	3,573	1.18
Advania Sverige AB	TL IL B 04/21 (ISK)	Information Technology Services	Sweden	ISK	6.10	04/28/2028	68,054	6,525	6,013	1.98
Advania Sverige AB	TL IL B 04/21 (SEK)	Information Technology Services	Sweden	SEK	6.10	04/28/2028	28,806	2,715	2,545	0.84
Advania Sverige AB	TL IL DD 02/21	Information Technology Services	Sweden	SEK	6.10	04/28/2028	190,386	1,243	1,248	0.41
Anaqua Inc	DD TL IL 04/20	Information Technology Services	United States	USD	6.25	08/04/2026	5,364	4,572	4,904	1.61
Anaqua Inc	TL IL 06/21	Information Technology Services	United States	USD	5.25	04/10/2026	6,088	5,105	5,512	1.81
Anaqua Inc	TL IL DD 06/21	Information Technology Services	United States	USD	5.25	04/10/2026	874	788	791	0.26
Ardonagh Group Ltd/The	TL IL DD 06/21	Insurance	United States	USD	5.25	04/10/2026	1,003	974	998	0.33
Ardonagh Group Ltd/The	TL IL 06/20 EUR	Insurance	United Kingdom	EUR	7.25	07/14/2026	8,612	9,199	9,939	3.27
Ardonagh Group Ltd/The	TL IL B1 06/20 GBP	Insurance	United Kingdom	GBP	7.25	07/14/2026	1,801	1,997	2,079	0.68
Ardonagh Group Ltd/The	TL IL B2 CAPEX 06/20 DD GBP	Insurance	United Kingdom	GBP	7.25	07/14/2026	1,801	1,997	2,079	0.68
AutoScout24 GmbH	TL IL 03/22 EUR	Automobile	Germany	EUR	4.75	03/31/2027	11,183	10,959	11,156	3.67
Caldic BV	TL 2L 03/22	Business Support Services	Netherlands	USD	7.25	02/25/2030	13,286	11,726	11,895	3.91
CDK International	TL 2L 10/20	Software Systems	Luxembourg	GBP	8.25	03/01/2029	6,966	7,815	7,737	2.55
CFC Underwriting Ltd	TL IL 05/22	Insurance	United Kingdom	USD	5.00	05/16/2029	10,374	9,703	9,485	3.12
CFC Underwriting Ltd	TL IL DD 05/22	Insurance	United Kingdom	GBP	5.00	05/16/2029	1,224	(18)	14	-
Citation Ltd	TL IL 08/20	Health and Safety	United Kingdom	GBP	5.25	09/15/2027	7,287	7,706	8,115	2.67
Citation Ltd	TL IL 08/20 DD	Health and Safety	United Kingdom	GBP	5.25	09/15/2027	3,047	3,267	3,285	1.08
Civica Group Ltd	TL IL 08/23 AUID (Unitranche)	Software	United Kingdom	AUD	6.25	08/30/2030	199	115	120	0.04
Civica Group Ltd	TL IL 08/23 GBP (Unitranche)	Software	United Kingdom	GBP	6.25	06/30/2030	3,593	4,059	4,065	1.34
Civica Group Ltd	TL IL DD 08/23 GBP	Software	United Kingdom	GBP	6.25	06/30/2030	1,526	(53)	(35)	(0.01)
Cooperation Pharmaceutique Francaise SAS	TL 2L 11/21	Pharmaceutical & Biotechnology	France	EUR	7.00	11/01/2029	6,169	6,046	5,892	1.94
Corden Pharma GmbH	TL IL 08/22 EUR	Pharmaceutical	Germany	EUR	5.75	08/09/2029	4,239	4,135	4,129	1.36
Corden Pharma GmbH	TL IL A 08/22	Pharmaceutical	Germany	USD	5.75	08/09/2029	3,968	3,782	3,499	1.15
Corden Pharma GmbH	TL IL DD 08/22 (EUR)	Pharmaceutical	Germany	EUR	5.75	08/09/2029	535	(13)	(14)	-
Corden Pharma GmbH	TL IL DD 08/22 (USD)	Pharmaceutical	Germany	USD	5.75	08/09/2029	433	(5)	(10)	-
Corden Pharma GmbH	TL Unsec 08/22 PIK	Pharmaceutical	Germany	EUR	5.75	08/10/2030	3,714	3,619	3,543	1.17
Corsearch Intermediate Inc	TL IL 04/21	Business Support Services	United States	USD	5.50	04/19/2028	4,461	4,356	4,021	1.32
Corsearch Intermediate Inc	TL IL DD 04/21	Business Support Services	United States	USD	5.50	04/19/2028	485	424	437	0.14
Dragon UK Bidco Ltd	TL IL 03/22 GBP	Business Support Services	United Kingdom	GBP	5.75	03/09/2029	4,327	5,025	4,921	1.62
Dragon UK Bidco Ltd	TL IL DD 03/22 GBP	Business Support Services	United Kingdom	GBP	5.75	03/09/2029	1,411	1,166	1,095	0.36

See notes to financial statements.

KKR LENDING PARTNERS EUROPE II (EURO) UNLEVERED SCSp

SCHEDULE OF INVESTMENTS (CONTINUED)

AS OF DECEMBER 31, 2023

(Stated in Euros, unless otherwise noted)

(Amounts in thousands)

Issuer	Asset	Industry	Country	Currency	Coupon	Maturity Date	Quantity	Book value	Estimated Fair Value	Estimated Fair Value as a Percentage of Partners' Capital
Corporate Loans (Continued)										
Element Materials Technology Group US Holdings Inc	TL 2L 07/22 (GBP)	Business and Consumer Services	United Kingdom	GBP	7.25	%	749	€ 849	€ 850	0.28 %
Element Materials Technology Group US Holdings Inc	TL 2L DD 06/22 (GBP)	Business and Consumer Services	United Kingdom	GBP	7.25	%	232	251	263	0.09
Element Materials Technology Group US Holdings Inc	TL Unsec DD 07/22 (PIK)	Business and Consumer Services	United Kingdom	USD	8.50		3,619	3,421	3,132	1.03
esPublico Servicios Para La Administracion SA	TL IL 09/22 EUR	Chemical	Spain	EUR	8.25		6,870	6,698	6,883	2.26
esPublico Servicios Para La Administracion SA	TL IL 09/22 EUR (HoldCo PIK)	Chemical	Spain	EUR	5.50		6,987	6,834	6,902	2.27
esPublico Servicios Para La Administracion SA	TL IL DD 09/22 EUR (Unitranche CAF)	Chemical	Spain	EUR	5.50		2,290	(57)	4	-
Fruits Bidco	TL IL B1 07/23	Food Technology	United Kingdom	USD	5.75		6,993	6,192	6,213	2.04
Fruits Bidco	TL IL B2 08/23	Food Technology	United Kingdom	EUR	5.75		1,556	1,513	1,527	0.50
Hermes UK Ltd	TL IL 07/21 (GBP)	Industrial Products	United Kingdom	GBP	6.50		5,001	5,680	5,535	1.82
HKA	TL IL B 08/22	Consultancy	United States	USD	5.75		10,220	9,885	8,854	2.91
HKA	TL IL DD (CAR) 08/22	Consultancy	United States	USD	5.75		3,227	2,967	2,797	0.92
HKA	TL IL DD 05/23	Consultancy	United States	USD	6.50		266	63	65	0.02
Hoist SoftCo	TL IL 11/21	Industrial Products	United Kingdom	EUR	6.75		4,205	4,100	4,060	1.34
Hoist SoftCo	TL IL 11/21 EUR Add-on	Industrial Products	United Kingdom	EUR	6.25		1,387	1,353	1,340	0.44
Hoist SoftCo	TL IL DD 08/22	Industrial Products	United Kingdom	EUR	6.75		794	754	767	0.25
Hoist SoftCo	TL IL DD 11/21 (Capex Facility) EUR	Industrial Products	United Kingdom	EUR	6.75		2,656	1,925	1,900	0.62
Industria Chimica Emiliana Srl	TL IL 04/22 EUR	Pharmaceutical	Italy	EUR	7.25		5,139	5,010	4,922	1.62
Industria Chimica Emiliana Srl	TL IL 06/19	Pharmaceutical	Italy	EUR	7.25		7,570	7,343	7,250	2.38
Industria Chimica Emiliana Srl	TL IL 07/20	Pharmaceutical	Italy	EUR	7.25		2,522	2,429	2,416	0.79
International Flavors & Fragrances Inc	TL IL B 05/23 Unitranche EUR	Chemical	United States	EUR	7.00		4,260	4,132	4,153	1.37
International Flavors & Fragrances Inc	TL IL DD CAR 05/23	Chemical	United States	EUR	7.00		1,331	(40)	(34)	(0.01)
Lloyd's Register Quality Assurance Ltd	TL IL B 12/21	Industrial Services	United Kingdom	EUR	6.00		7,395	7,173	7,221	2.38
Lloyd's Register Quality Assurance Ltd	TL IL DD 12/21	Industrial Services	United Kingdom	GBP	6.00		2,510	2,123	2,133	0.70
Lloyd's Register Quality Assurance Ltd	TL IL B 04/21	Internet Media & Services	United Kingdom	USD	5.00		8,197	6,752	7,421	2.44
Lloyd's Register Quality Assurance Ltd	TL IL DD 04/21	Internet Media & Services	United Kingdom	USD	5.00		1,726	(29)	-	-
MyHeritage	TL IL 11/21	Insurance Brokers	United Kingdom	EUR	5.50		1,051	1,030	966	0.32
PIB Inc	TL IL B 03/21	Insurance Brokers	United Kingdom	GBP	6.00		9,600	10,996	10,359	3.41
PIB Inc	TL IL DD 03/21	Insurance Brokers	United Kingdom	GBP	5.50		319	366	347	0.11
PIB Inc	TL IL DD 11/21	Insurance Brokers	United Kingdom	GBP	6.00		2,087	2,387	2,275	0.75
PIB Inc	TL IL B 02/21	Food Industry	United Kingdom	GBP	5.50		3,651	4,069	3,960	1.30
Quantum Bidco Ltd	TL Unsec 11/21	Financing Services	Sweden	SEK	5.50		61,610	5,861	5,442	1.79
Soderberg & Partners Asset Management SA	TL IL 09/19	Insurance	Netherlands	EUR	5.75		3,320	3,267	3,121	1.03
Sucez Groep BV	TL IL 09/19 DD	Insurance	Netherlands	EUR	5.75		1,245	1,214	1,170	0.38
thyssenkrupp Elevator AG	12% PIK TL Unsec 03/20 USD	Steel Production	Denmark	USD	12.00		4,321	3,030	3,537	1.16
thyssenkrupp Elevator AG	Er-7.000% 09/2027 Private SUN EUR	Steel Production	Denmark	EUR	7.00		2,435	2,386	2,483	0.82
Transaction Services Group Ltd	TL IL 07/21 (USD)	Payment Processing Services	Luxembourg	USD	5.50		3,690	3,031	3,339	1.10
Transaction Services Group Ltd	TL IL 10/19 (AUD)	Payment Processing Services	Luxembourg	AUD	5.50		7,057	4,487	4,359	1.43
Transaction Services Group Ltd	TL IL DD 10/19 (USD)	Payment Processing Services	Luxembourg	USD	5.50		1,473	1,228	1,334	0.44

See notes to financial statements.

KKR LENDING PARTNERS EUROPE II (EURO) UNLEVERED SCSp

SCHEDULE OF INVESTMENTS (CONTINUED)

AS OF DECEMBER 31, 2023

(Stated in Euros, unless otherwise noted)
(Amounts in thousands)

Issuer	Asset	Industry	Country	Currency	Coupon	Maturity Date	Quantity	Book value	Estimated Fair Value	Estimated Fair Value as a Percentage of Partners' Capital
Corporate Loans (Continued)										
True Potential Investments LLP	6.25% 02/2028 REGS SSN	Financial Services	United Kingdom	GBP	6.25 %	02/15/2028	3,436	€ 3,937	€ 3,939	1.30 %
Valeo Foods Group Ltd	TL 2L 09/21	Food Production, Food Service	United Kingdom	GBP	8.00	10/01/2030	1,682	1,917	1,639	0.54
Valeo Foods Group Ltd	TL 2L DD 09/21 CAF	Food Production, Food Service	United Kingdom	EUR	7.50	10/01/2030	1,118	660	509	0.17
Version1 Software Ltd	TL 1L 07/22 (GBP)	Software	United Kingdom	GBP	5.75	07/11/2029	4,792	5,507	5,486	1.80
Version1 Software Ltd	TL 1L 07/22 EUR	Software	United Kingdom	EUR	5.75	07/11/2029	2,944	2,870	2,920	0.96
Version1 Software Ltd	TL 1L DD 07/22 EUR	Software	United Kingdom	EUR	5.75	07/11/2029	2,804	2,742	2,811	0.92
Wella Corp/The	TL 1L 02/22	Consumer Goods	Luxembourg	GBP	4.50	02/24/2029	5,180	6,126	5,773	1.90
Zephyr Bidco Ltd	TL Unsec 02/22 PIK (EUR)	Consumer Goods	Luxembourg	EUR	7.75	02/24/2030	7,133	6,971	7,200	2.37
	TL 1L B3 10/23 GBP	Internet Media & Services	United Kingdom	GBP	6.00	07/20/2028	5,822	6,366	6,643	2.19
Total Corporate Loans								€ 294,841	€ 293,641	96.59 %
Equity Investments										
Ultra Electronics Holdings PLC	Private Equity	Defence and Security	United Kingdom	USD			56,045	€ 549	771	0.25 %
Ultra Electronics Holdings PLC	Private Equity (B Shares)	Defence and Security	United Kingdom	USD			104	106	143	0.05
Total Equity Investments								€ 655	€ 914	0.30 %
Total Investments								€ 307,506	€ 305,735	100.57 %

See notes to financial statements.

KKR LENDING PARTNERS EUROPE II (EURO) UNLEVERED SCSp

SCHEDULE OF INVESTMENTS (CONCLUDED)

AS OF DECEMBER 31, 2023

(Stated in Euros, unless otherwise noted)
(Amounts in thousands)

Counterparty	Country	Currency	Maturity Date	Notional	Estimated Fair Value	Estimated Fair Value as a Percentage of Partners' Capital
Derivative Contracts						
Foreign Exchange Forward Contracts						
Morgan Stanley	United States of America	GBP	22/01/2024	£ 5,758	€ (69)	(0.02) %
Barclays Bank PLC	United States of America	AUD	08/02/2024	A\$ 9,000	(57)	(0.02)
Barclays Bank PLC	United States of America	SEK	08/02/2024	kr 58,378	381	0.13
Barclays Bank PLC	United States of America	EUR	08/02/2024	€ 795	8	-
Morgan Stanley	United States of America	GBP	08/02/2024	£ 10,400	(229)	(0.08)
Morgan Stanley	United States of America	GBP	03/04/2024	£ 10,210	(15)	-
Morgan Stanley	United States of America	GBP	09/05/2024	£ 6,966	(80)	(0.03)
Morgan Stanley	United States of America	USD	09/05/2024	\$ 9,060	(732)	(0.24)
Morgan Stanley	United States of America	USD	09/05/2024	\$ 4,461	(418)	(0.14)
Morgan Stanley	United States of America	SEK	10/05/2024	kr 59,411	423	0.14
Morgan Stanley	United States of America	SEK	10/05/2024	kr 2,194	15	-
Barclays Bank PLC	United States of America	SEK	10/05/2024	kr 12,216	86	0.03
Barclays Bank PLC	United States of America	SEK	10/05/2024	kr 16,000	89	0.03
Goldman Sachs	United States of America	GBP	09/08/2024	£ 5,300	(167)	(0.05)
Goldman Sachs	United States of America	USD	13/09/2024	\$ 20,200	214	0.07
Goldman Sachs	United States of America	USD	21/10/2024	\$ 17,300	1,039	0.33
Barclays Bank PLC	United States of America	USD	21/10/2024	\$ 6,100	56	0.02
Goldman Sachs	United States of America	GBP	21/10/2024	£ 900	(27)	(0.01)
Macquarie	United States of America	USD	21/10/2024	\$ 3,200	35	0.01
Morgan Stanley	United States of America	GBP	21/10/2024	£ 5,000	(46)	(0.02)
Barclays Bank PLC	United States of America	GBP	15/11/2024	£ 1,682	(48)	(0.02)
Morgan Stanley	United States of America	GBP	15/11/2024	£ 2,000	(44)	(0.01)
Morgan Stanley	United States of America	USD	25/11/2024	\$ 2,000	11	-
Morgan Stanley	United States of America	CAD	27/02/2025	C\$ 1,800	29	0.01
Morgan Stanley	United States of America	EUR	27/02/2025	€ 139	(3)	-
Morgan Stanley	United States of America	GBP	11/03/2025	£ 9,500	(105)	(0.03)
Barclays Bank PLC	United States of America	GBP	09/05/2025	£ 6,500	(184)	(0.06)
Macquarie	United States of America	SEK	10/06/2025	kr 16,300	(76)	(0.02)
Goldman Sachs	United States of America	USD	08/08/2025	\$ 4,800	261	0.09
Barclays Bank PLC	United States of America	USD	08/08/2025	\$ 24,600	-	-
Barclays Bank PLC	United States of America	GBP	15/06/2026	£ 2,500	(62)	(0.02)
Barclays Bank PLC	United States of America	USD	28/08/2026	\$ 5,000	19	0.01
Barclays Bank PLC	United States of America	GBP	14/09/2026	£ 3,100	(21)	(0.01)
Morgan Stanley	United States of America	GBP	14/09/2026	£ 1,500	(45)	(0.01)
Total Derivative Contracts					€ 238	0.08 %

See notes to financial statements.

KKR LENDING PARTNERS EUROPE II (EURO) UNLEVERED SCSp

STATEMENT OF OPERATIONS FOR THE YEAR ENDED DECEMBER 31, 2023 (Stated in Euros, unless otherwise noted) (Amounts in thousands)

INVESTMENT INCOME:

Interest income	€	34,538
Other investment income		<u>567</u>
Total investment income		<u>35,105</u>

EXPENSES:

Interest expense		364
Management fees		861
Professional fees and other expenses		<u>1,268</u>
Total expenses		<u>2,493</u>

NET INVESTMENT INCOME (LOSS) 32,612

NET REALIZED AND UNREALIZED GAINS (LOSSES):

Net realized gains (losses)		(644)
Net change in unrealized appreciation (depreciation)		<u>3,376</u>
Net realized and unrealized gains (losses)		<u>2,732</u>

NET INCOME (LOSS) € 35,344

See notes to financial statements.

KKR LENDING PARTNERS EUROPE II (EURO) UNLEVERED SCSp

STATEMENT OF CHANGES IN PARTNERS' CAPITAL FOR THE YEAR ENDED DECEMBER 31, 2023 (Stated in Euros, unless otherwise noted) (Amounts in thousands)

	General Partner	Limited Partners	Total
PARTNERS' CAPITAL, January 1, 2023	€ 833	€ 302,336	€ 303,169
Capital contributions	-	19,303	19,303
Allocation of net income (loss):			
Investment income	-	35,105	35,105
Management fees	-	(861)	(861)
Expenses	-	(1,632)	(1,632)
Net realized gains (losses)	-	(644)	(644)
Net change in unrealized appreciation (depreciation)	-	3,376	3,376
Change in accrued carried interest	1,226	(1,226)	-
Net income/(loss)	1,226	34,118	35,344
Capital distributions	-	(53,813)	(53,813)
PARTNERS' CAPITAL, December 31, 2023	€ 2,059	€ 301,944	€ 304,003

See notes to financial statements.

KKR LENDING PARTNERS EUROPE II (EURO) UNLEVERED SCSp

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED DECEMBER 31, 2023 (Stated in Euros, unless otherwise noted) (Amounts in thousands)

Net income (loss)	€	35,344
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Purchases of investments		(39,352)
Proceeds from paydowns and investments sold		27,193
Net realized (gains) losses		644
Net change in unrealized (appreciation) depreciation		(3,376)
Changes in assets and liabilities:		
Accrued interest		(1,371)
Unsettled investment sales		(2,531)
Due to Manager		41
Payable to Other Entities		156
Accrued interest expense		95
		<u>16,843</u>
Net cash flows provided by (used in) operating activities		
		<u>16,843</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Capital distributions		(34,510)
Deferred finance fee		18
Proceeds from revolving credit facility		17,403
Repayments of revolving credit facility		(2,001)
		<u>(19,090)</u>
Net cash flows provided by (used in) financing activities		
		<u>(19,090)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		(2,247)
CASH AND CASH EQUIVALENTS, Beginning of year		8,729
		<u>8,729</u>
CASH AND CASH EQUIVALENTS, End of year	€	6,482
		<u>6,482</u>
<i>Supplemental Disclosure of Non-Cash Financing Activities:</i>		
Capital contributions		19,303
Capital distributions		(19,303)
<i>Supplemental Disclosure of Cash Flow Activities:</i>		
Cash paid for interest expense		(459)

See notes to financial statements.

KKR LENDING PARTNERS EUROPE II (EURO) UNLEVERED SCSp

NOTES TO FINANCIAL STATEMENTS

AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2023

1. ORGANIZATION

KKR Lending Partners Europe II (Euro) Unlevered SCSp (the “Partnership”), a Luxembourg special limited partnership, was organized on April 19, 2018 and commenced operations on May 21, 2020 (the “Commencement of Operations”). The Fund’s investment period (the “Investment Period”) is defined in the Limited Partnership Agreement of the Partnership, as restated and amended (the “Partnership Agreement”), as the period from the Partnership’s First Closing Date through and until the first to occur of: (a) the third anniversary of the Partnership’s Final Closing Date; provided that the Investment Period may be extended with the consent of the Advisory Committee or a Majority in Interest of the Combined Limited Partners; (b) the date on which the aggregate Unused Capital Commitments of the non-defaulting Limited Partners have been reduced to zero, and are not subject to restoration pursuant to the terms of the agreement; (c) following the Partnership’s Final Closing Date, the date as of which at 75% in interest of the Combined Limited Partners elect in writing to terminate the Investment Period; (d) upon the election of all of the Combined Limited Partners to reduce their respective Unused Capital Commitments available for Investments (but excluding Pre-Event Investments or Follow-On Investments) or (e) the date on which the General Partner elects to terminate the Investment Period in its sole discretion.

KKR Associates Lending Europe II SCSp, a Luxembourg special limited partnership (the “General Partner”), serves as the general partner of the Partnership and in such capacity for making investment decisions on behalf of the Partnership. KKR Alternative Investment Management Unlimited Company (the “Manager”) serves as the alternative investment fund manager (the “AIFM”) of the Partnership under the EU Alternative Investment Fund Manager Directive (Directive 2011/61/EU, the “AIFMD”) and delegates certain portfolio management activities of the Partnership to KKR Credit Advisors (Ireland) Unlimited Company (“KKR Credit Advisors (Ireland)”) in accordance with the Partnership Agreement. The Manager and the General Partner are subsidiaries of KKR & Co. Inc. (“KKR”).

The objective of the Partnership is to generate current income through investments in primarily European secured debt, including in particular senior secured and secured loans and bonds. The Partnership focuses on direct originated transactions and proprietary or limited syndication transactions with third party intermediaries including investment banks. The Partnership’s target borrowers will primarily be European corporates that are smaller than companies that currently access the European banking channel. The Partnership may also invest in subordinated debt and may opportunistically target investments relating to the financing of hard assets, if the General Partner considers that such investments offer comparable risk and return profiles.

2. SIGNIFICANT ACCOUNTING PRINCIPLES

Basis of Presentation — The Partnership is considered an investment company as defined in Accounting Standards Codification (“ASC”) Topic 946 Financial Services – Investment Companies (“ASC 946”). The accompanying financial statements are presented in accordance with accounting principles generally accepted in the America (“U.S. GAAP”), using the specialized guidance in ASC 946, and are stated in Euros (“€”).

Use of Estimates — The preparation of financial statements in conformity with U.S. GAAP requires management to make certain estimates and assumptions that could affect the amounts reported in the Partnership’s financial statements and accompanying notes. Actual results could differ from management estimates.

Cash and Cash Equivalents — Cash and cash equivalents include cash on hand, cash held in banks and highly liquid investments with original maturities of three or fewer months. Interest income earned on cash and cash equivalents is recorded in other investment income in the statement of operations. There were no cash equivalents as of December 31, 2023. There was no restricted cash as of December 31, 2023.

Other Investment Income — Other investment income consists of transaction fees including, but not limited to, delayed compensation, assignment, transfer, administration, bank interest income and amendment fees. Fees and other income are recorded when earned.

KKR LENDING PARTNERS EUROPE II (EURO) UNLEVERED SCSp

NOTES TO FINANCIAL STATEMENTS (CONTINUED) AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2023

Management Fees — The Partnership pays the Manager a management fee. See Note 4 for further discussion of the specific terms of the computation. The management fee is paid quarterly in arrears and expensed during the period for which it is incurred.

Income Taxes — The Partnership is a Luxembourg Special Limited Partnership. Luxembourg does not impose income tax and as such the Partnership has not incurred any Luxembourg income tax expense. The Partnership is treated as a partnership for U.S. federal income tax purposes and is generally not subject to U.S. federal income tax at the entity level, but the Partnership may own investments that from time to time generate income that is subject to certain foreign tax withholding. U.S. federal and state income tax statutes require that the income or loss of a Partnership be included in the tax returns of the individual partners.

In accordance with the authoritative guidance the Partnership determines whether a tax position of the Partnership is more likely than not to be sustained upon examination by the applicable taxing authority, including the resolution of any related appeals or litigation processes, based on the technical merits of the position. The tax benefit to be recognized is measured as the largest amount of benefit that is greater than 50% likely to be realized upon ultimate settlement, which could result in the Partnership recording a tax liability that would reduce net assets. The Partnership reviews and evaluates tax positions in its major jurisdictions and determines whether or not there are uncertain tax positions that require financial statement recognition. Based on this review, the Partnership has determined the major tax jurisdictions where the Partnership is organized and where the Partnership makes investments; however, no reserves for uncertain tax positions were required to be recorded for any of the Partnership's open tax years. The Partnership is subject to examination by U.S. federal tax authorities for returns filed for the prior three years and by state tax authorities for returns filed for the prior four years, and taxes associated with foreign tax jurisdictions remain subject to examination based on varying statutes of limitations, if any. The Partnership is additionally not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will change materially in the next twelve months. As a result, no other income tax liability or expense has been recorded in the accompanying financial statements.

Foreign Currency — The Partnership makes non-Euro denominated investments. As a result, the Partnership is subject to the risk of fluctuation in the exchange rate between EUR and the foreign currency in which it makes an investment.

The books and records of the Partnership are maintained in Euros. All investments denominated in foreign currency are converted to Euros using prevailing exchange rates at the end of the reporting date. Income, expenses, gains and losses denominated in foreign currency are converted to Euros using the prevailing exchange rates on the dates when the transactions occurred.

The Partnership does not bifurcate that portion of the results of operations resulting from changes in foreign exchange rates on investments and interest from the fluctuations arising from changes in market prices of securities held. Such fluctuations are included with the net realized and unrealized gain/loss from investments, or interest income and expense as applicable.

Fair Value Measurements — Fair value is 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. Where available, fair value is based on observable market prices or parameters, or derived from such prices or parameters. Where observable prices or inputs are not available, valuation models are applied. These valuation techniques involve some level of management estimation and judgment, the degree of which is dependent on the price transparency for the instruments or market and the instruments' complexity for disclosure purposes.

KKR LENDING PARTNERS EUROPE II (EURO) UNLEVERED SCSp

NOTES TO FINANCIAL STATEMENTS (CONTINUED) AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2023

Assets and liabilities recorded at fair value in the statement of financial condition are categorized based upon the level of judgment associated with the inputs used to measure their value. Hierarchical levels, as defined under U.S. GAAP, are directly related to the amount of subjectivity associated with the inputs to fair valuations of these assets and liabilities, and are as follows:

Level 1 — Inputs are unadjusted, quoted prices in active markets for identical assets or liabilities at the measurement date.

Level 2 — Inputs, other than quoted prices included in Level 1, that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar instruments in active markets, and inputs other than quoted prices that are observable for the asset or liability.

Level 3 — Inputs are unobservable inputs for the asset or liability, and include situations where there is little, if any, market activity for the asset or liability.

A significant decrease in the volume and level of activity for the asset or liability is an indication that transactions or quoted prices may not be representative of fair value because in such market conditions there may be increased instances of transactions that are not orderly. In those circumstances, further analysis of transactions or quoted prices is needed, and a significant adjustment to the transactions or quoted prices may be necessary to estimate fair value.

The availability of observable inputs can vary depending on the financial asset or liability and is affected by a wide variety of factors, including, for example, the type of product, whether the product is new, whether the product is traded on an active exchange or in the secondary market, and the current market condition. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Accordingly, the degree of judgment exercised by the Partnership in determining fair value is greatest for instruments categorized in Level 3. In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy within which the fair value measurement in its entirety falls is determined based on the lowest level input that is significant to the fair value measurement in its entirety. The Partnership's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and consideration of factors specific to the asset. The variability of the observable inputs affected by the factors described above may cause transfers between Levels 1, 2, and/or 3.

Many financial assets and liabilities have bid and ask prices that can be observed in the marketplace. Bid prices reflect the highest price that the Partnership and others are willing to pay for an asset. Ask prices represent the lowest price that the Partnership and others are willing to accept for an asset. For financial assets and liabilities whose inputs are based on bid-ask prices, the Partnership does not require that fair value always be a predetermined point in the bid-ask range. The Partnership's policy is to allow for mid-market pricing and adjusting to the point within the bid-ask range that meets the Partnership's best estimate of fair value.

Depending on the relative liquidity in the markets for certain assets, the Partnership may transfer assets to Level 3 if the Partnership determines that observable quoted prices, obtained directly or indirectly, are not available. The valuation techniques used for the assets and liabilities that are valued using Level 3 inputs of the fair value hierarchy are described below.

Corporate Loans and Corporate Bonds — Corporate Loans and Corporate Bonds are initially valued at transaction price and are subsequently valued using market data for similar instruments (e.g., recent transactions or broker quotes), comparisons to benchmark derivative indices, and valuation models. Valuation models are primarily based on yield analysis techniques, where the key inputs are based on relative value analyses, which incorporate similar instruments from similar issuers based on leverage and earnings before interest, taxes, depreciation and amortization ("EBITDA"). In addition, an illiquidity discount is applied where appropriate.

KKR LENDING PARTNERS EUROPE II (EURO) UNLEVERED SCSp

NOTES TO FINANCIAL STATEMENTS (CONTINUED) AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2023

Equity and Other Investments — Equity and other investments are initially valued at transaction price and are subsequently valued using observable market prices, if available, or internally developed models in the absence of readily observable market prices. Valuation models are generally based on market and income (discounted cash flow) approaches, in which various internal and external factors are considered. Factors include key financial inputs and recent public and private transactions for comparable investments. Key inputs used for the discounted cash flow approach include the weighted average cost of capital and assumed inputs used to calculate terminal values, such as EBIDTA. The fair value recorded for a particular investment will generally be within the range suggested by the two approaches. Upon completion of the valuations conducted, an illiquidity discount is applied where appropriate. Certain other investments including warrants are based on internally developed models using a series of techniques, including closed-form analytic formulae, such as the Black-Scholes option-pricing model, and/or simulation models. Many pricing models employ methodologies that have pricing inputs observed from actively quoted markets.

Derivative Contracts — Derivative contracts include forward contracts related to foreign currencies. Derivatives are initially valued using quoted market prices, if available, or models using a series of techniques, including closed-form analytic formulae, such as the Black-Scholes option-pricing model, and/or simulation models in the absence of quoted market prices. Many pricing models employ methodologies that have pricing inputs observed from actively quoted markets, as is the case for generic interest rate swap and option contracts.

Key unobservable inputs that have a significant impact on the Partnership's Level 3 valuations as described above are included in Note 9. The Partnership utilizes several unobservable pricing inputs and assumptions in determining the fair value of its Level 3 investments. These unobservable pricing inputs and assumptions may differ by asset and in the application of the Partnership's valuation methodologies. The reported fair value estimates could vary materially if the Partnership had chosen to incorporate different unobservable pricing inputs and other assumptions or, for applicable investments, if the Partnership only used either the discounted cash flow methodology or the market comparable methodology instead of assigning a weighting to both methodologies.

Valuation Policy — Investments are generally valued based on quotations from third party pricing services, unless such a quotation is unavailable or is determined to be unreliable or inadequately representing the fair value of the particular assets. In that case, valuations are based on either valuation data obtained from one or more other third party pricing sources, including broker dealers, or will reflect the valuation committee's good faith determination of estimated fair value based on other factors considered relevant.

Recent Accounting Pronouncements — In June 2022, the FASB issued ASU 2022-03, ASC Subtopic 820 "Fair Value Measurement of Equity Securities Subject to Contractual Sale Restrictions". According to ASU 2022-03, an entity should not consider the contractual sale restriction when measuring the equity security's fair value and an entity is not allowed to recognize a contractual sale restriction as a separate unit of account. ASU 2022-03 is effective in fiscal years beginning after December 15, 2023, with early adoption permitted. The adoption of this standard is not expected to have a material impact on the financial statements.

3. PARTNERS' CAPITAL

The following table details the capital commitments of the Partnership as of December 31, 2023 (amounts in thousands):

	Committed Capital	Unfunded Commitment
General Partner	€ -	€ -
Limited Partners	372,750	70,010
Total	<u>€ 372,750</u>	<u>€ 70,010</u>

KKR LENDING PARTNERS EUROPE II (EURO) UNLEVERED SCSp

NOTES TO FINANCIAL STATEMENTS (CONTINUED) AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2023

The following table details the capital activity of the Partnership for the year ended December 31, 2023 (amounts in thousands):

Contributions for investments	€	18,451
Contributions for management fees		852
Total contributions	€	<u>19,303</u>
Distributions of investment proceeds	€	<u>(53,813)</u>
Deemed contributions	€	19,303
Deemed distributions		(19,303)

4. MANAGEMENT FEES

Pursuant to the Alternative Investment Fund Manager Agreement (the “AIFM Agreement”) between the Partnership and KKR Alternative Investment Management Unlimited Company (the “AIFM”) and the Delegate Management Agreement between the Partnership, AIFM, and KKR Credit Advisors (Ireland) Unlimited Company (the “Advisor”) (together with the AIFM Agreement, the “Delegate Management Agreement”), the AIFM and the Advisor are entitled to receive, as compensation for their services rendered and expenses incurred in the management of the Partnership, a quarterly management fee determined in accordance with the AIFM Agreement.

The Partnership pays the Manager a management fee, calculated and payable quarterly in arrears in respect of each Limited Partner, at a rate equal to 0.85% per annum of the weighted average of the Invested Capital of the Partnership allocable to such Limited Partner.

As of December 31, 2023, the Partnership had a balance due to Manager of €453 thousand, of which €223 thousand was for management fees and €230 thousand was for reimbursable Partnership expenses that were funded by the Manager on a temporary basis in order to permit the Partnership to satisfy the payment of such expenses. The Partnership will reimburse the Manager for such amounts at cost, as and when Investment Proceeds are received by the Partnership.

5. FINANCIAL HIGHLIGHTS

Financial highlights for the year ended December 31, 2023 are as follows:

	Reduced Fee Limited Partners	Standard Fee Limited Partners
Internal rates of return from the commencement of operations:		
Beginning of year	7.44%	5.68%
End of year	9.47%	7.68%
Ratios to average partners' capital:		
Expenses	<u>(0.33%)</u>	<u>(0.48%)</u>
Net investment income	<u>6.83%</u>	<u>3.77%</u>

Financial highlights are calculated for the Reduced Fee Limited Partners and Standard Fee Limited Partners classes taken as a whole. The internal rate of return from the commencement of operations was computed based on the effective dates of the capital transactions, and the Limited Partners’ capital at the end of the reporting period. An individual Limited Partner’s results may vary.

KKR LENDING PARTNERS EUROPE II (EURO) UNLEVERED SCSp

NOTES TO FINANCIAL STATEMENTS (CONTINUED) AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2023

6. DEBT OBLIGATIONS

On May 21, 2020, the Partnership entered into a €150 million revolving credit agreement (the “Credit Facility”) with Morgan Stanley that currently bears interest at reference rate plus 1.95% with a maturity date of September 9, 2024. The Credit Facility also bears an unused commitment fee 0.25% to 0.30%, depending on the percentage of the unused portion facility, on the total unused facility amount. The interest paid on the unused commitment is included within credit facility on the statement of operations. On November 16, 2020 the credit facility limit was decreased to €275 million. On December 23, 2021 the credit facility limit was decreased to €150 million. On September 8, 2022 the credit facility limit was decreased to €80 million.

The Partnership has the option to upsize the Credit Facility to €375 million. As of December 31, 2023, there was €17.3 million outstanding under the Credit Facility, and the Partnership was in compliance with the terms of the Credit Facility. The Credit Facility provides credit subject to availability under a borrowing base determined by the unused capital commitments of the Limited Partners.

7. DISTRIBUTIONS

Distributions — During the Investment Period, the Partnership may retain and reinvest any amount that would otherwise be distributable. The General Partner may, in its sole discretion, cause the Partnership to distribute all or any part of these retained distributions to the partners and any such distribution will cause the partners’ unused capital commitments to increase.

Following the Final Closing Date, the General Partner intends to distribute all investment proceeds from dispositions of investments, net of the repayment of indebtedness, expenses and other reserves no later than 90 days after the end of the calendar quarter in which such proceeds were received by the Partnership. If the aggregate distributable balance is below the minimum threshold stated in the Partnership Agreement, the General Partner may, in its sole discretion, elect not to distribute all or any part of such amount and carry forward such amount to the following quarter.

The investment proceeds, consisting of current income and disposition proceeds, are tentatively assigned to the Limited Partners and to the General Partner in proportion to their basis in the investment.

The portion tentatively assigned to the Limited Partners is then further assigned as follows:

- First, 100% investment proceeds are assigned to the Limited Partners until the Limited Partners have recovered their Adjusted Realized Capital, as defined in the Partnership Agreement.
- Second, 100% investment proceeds are assigned to the Limited Partners until the Limited Partners have achieved an internal rate of return equal to 5% per annum (the “Preferred Return”) on their Adjusted Realized Capital, compounded annually. The Preferred Return on their Adjusted Realized Capital is computed based on the effective dates of capital contributions and distributions.
- Third, 100% investment proceeds are assigned to the General Partner until such time that the General Partner has received cumulative proceeds equal to 10% of the cumulative cash distributions made to the Limited Partners in excess of their Adjusted Realized Capital.
- Thereafter, investment proceeds are assigned 90% to the Limited Partners and 10% to the General Partner.

The 10% allocations to the General Partner noted above are collectively termed “GP Carry”.

KKR LENDING PARTNERS EUROPE II (EURO) UNLEVERED SCSp

NOTES TO FINANCIAL STATEMENTS (CONTINUED) AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2023

Allocation of Net Income or Net Loss — Income or loss is allocated to the Limited Partners and the General Partner pro rata in accordance with the amount of their commitments to the Partnership. At the end of each reporting period, the accrued GP Carry is calculated, which represents the portion of the Limited Partners' proceeds that would be reallocated to the General Partner if the investment portfolio was realized at the reporting date using the current estimated market values. The reallocation of proceeds is calculated per the terms of the Partnership Agreement and is consistent with the methodology detailed in the Distributions section above. For the year ended December 31, 2023, €1.23 million accrued carried interest was reallocated from the Limited Partners to the General Partner. For the year ended December 31, 2023, there was accumulated carried interest of €2.06 million.

8. DERIVATIVE CONTRACTS

The Partnership enters into derivative transactions in order to hedge against foreign currency exchange rate risks on its non-Euro denominated investment securities. These contracts are marked-to-market by recognizing the difference between the contract forward exchange rate and the forward market exchange rate on the last day of the year as unrealized appreciation or depreciation. Realized gains or losses are recognized when derivative contracts are settled.

The counterparties to the Partnership's derivative contracts are major financial institutions with which the Partnership and its affiliates may also have other financial relationships. In the event of non-performance by the counterparties, the Partnership is potentially exposed to losses. The counterparties to the Partnership's derivative agreements have investment grade ratings and, as a result, the Partnership does not anticipate that any of the counterparties will fail to fulfill their obligations.

The foreign currency forward contracts open at the end of the year are indicative of the volume of activity during the year ended December 31, 2023.

The table below summarizes the aggregate notional amount and estimated net fair value of the derivative instruments held as of December 31, 2023 (amounts in thousands):

	As of December 31, 2023	
	Notional	Estimated Fair Value
Foreign exchange forward contracts	€ 192,362	€ 238
Total	€ 192,362	€ 238

The fair value of open derivative contracts is located in derivative liabilities in the statement of financial condition. Unrealized appreciation of €134 thousand from derivative financial instruments are included in net change in unrealized appreciation (depreciation) in the statement of operations.

The Partnership enters into master netting agreements or similar agreements with all of the Partnership's derivative counterparties.

Where legally enforceable, these master netting agreements give the Partnership, in the event of default by the counterparty, the right to settle its derivatives by offsetting receivables and payables with the same counterparty.

The fair value of derivative assets and liabilities are reported gross on the Partnership's statement of financial condition. There was no collateral posted for the foreign currency hedges.

KKR LENDING PARTNERS EUROPE II (EURO) UNLEVERED SCSp

NOTES TO FINANCIAL STATEMENTS (CONTINUED) AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2023

As of December 31, 2023 the net amount of derivative assets/(liabilities) due are as follows (amounts in thousands):

	<u>Due from/(to)</u>
Barclays Bank PLC	€ 267
Goldman Sachs	1,320
Macquarie	(41)
Morgan Stanley	(1,308)
	<u>€ 238</u>

9. FAIR VALUE MEASUREMENTS

The following table presents information about the Partnership's investments measured at fair value on a recurring basis as of December 31, 2023, and indicates the fair value hierarchy of the inputs utilized by the Partnership to determine such fair value (amounts in thousands):

	Quoted Prices in			
	Active markets for	Significant Other	Significant	Balance as of
	Identical Assets	Observable Inputs	Unobservable	December 31,
	(Level 1)	(Level 2)	Inputs (Level 3)	2023
Investments:				
Corporate bonds	€ -	€ 1,995	€ 9,185	€ 11,180
Corporate loans	-	16,376	277,265	293,641
Equity investments	-	-	914	914
Derivative assets	-	2,666	-	2,666
Derivative liabilities	-	(2,428)	-	(2,428)
Total	<u>€ -</u>	<u>€ 18,609</u>	<u>€ 287,364</u>	<u>€ 305,973</u>

The following table presents additional information about investments that are measured at fair value on a recurring basis for which the Partnership has utilized Level 3 inputs to determine fair value as of December 31, 2023 (amounts in thousands):

	Fair Value Measurements Using	
	Significant Unobservable Inputs	
	(Level 3)	
	<u>Corporate bonds</u>	<u>Corporate loans</u>
Purchases	€ 4,530	€ 29,636

There were transfers into Level 3 of €5.89 million for the year ended December 31, 2023.

KKR LENDING PARTNERS EUROPE II (EURO) UNLEVERED SCSp

NOTES TO FINANCIAL STATEMENTS (CONCLUDED) AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2023

The following table presents additional information about valuation techniques and inputs used for investments that are measured at fair value and categorized within Level 3 as of December 31, 2023 (fair value) (amounts in thousands):

	Fair Value as of December 31, 2023	Valuation Techniques ⁽¹⁾	Unobservable Inputs ⁽²⁾	Range
Corporate bonds	€ 9,185	Yield Analysis	Yield EBITDA Multiple	10.9% - 14.3% 13.3x - 14x
Corporate loans	€ 277,265	Yield Analysis	Yield EBITDA Multiple	7.9% - 18.7% 8.6x - 25x
Equity investments	€ 914	CVM	EBITDA Multiple	14x

⁽¹⁾ For the assets that have more than one valuation technique, the Partnership may rely on the techniques individually or in aggregate based on a weight ascribed to each one ranging from 0-100%. When determining the weighting ascribed to each valuation methodology, the Partnership considers, among other factors, the availability of direct market comparables, the applicability of a discounted cash flow analysis and the expected hold period and manner of realization for the investment. These factors can result in different weightings among the investments and in certain instances, may result in up to a 100% weighting to a single methodology.

⁽²⁾ The significant unobservable inputs used in the fair value measurement of the Partnership's assets and liabilities may include the last twelve months ("LTM") EBITDA multiple, weighted average cost of capital, discount margin, probability of default, loss severity and constant prepayment rate. In determining certain of these inputs, management evaluates a variety of factors including economic, industry and market trends and developments; market valuations of comparable companies; and company specific developments including potential exit strategies and realization opportunities.

10. CONCENTRATION OF RISK

In the ordinary course of business, the Partnership manages a variety of risks, including market risk and credit risk. Market conditions such as interest rates, availability of credit, inflation rates, economic uncertainty, changes in law, and trade barriers may affect the level and volatility of the prices of financial instruments and the liquidity of the Partnership's investments. Market risk is a risk of potential adverse changes to the value of financial instruments because of changes in market conditions such as interest and currency rate movements and volatility in commodity or security prices. The Partnership is also subject to credit and counterparty risks when entering into transactions, including securities, loans, derivatives and over-the-counter transactions.

11. COMMITMENTS AND CONTINGENCIES

As at December 31, 2023, the Partnership had unfunded financing commitments, including financial guarantees related to corporate loans, totalling of approximately €11.44 million. The Partnership expects to have sufficient liquidity to fulfil its commitments.

In the normal course of business, the General Partner, on behalf of the Partnership, may enter into certain contracts that contain a variety of indemnifications. The Partnership's maximum exposure under these arrangements is unknown as this would involve future claims that may be made that have not yet occurred. Currently, no such claims exist or are expected to arise and, accordingly, the Partnership has not accrued any liability in connection with such indemnifications.

12. SUBSEQUENT EVENTS

The Partnership evaluated all subsequent events through March 28, 2024, the date the financial statements were issued, and determined that no additional disclosures were necessary.

KKR

**KKR Lending Partners Europe III
(Euro) SCSp**

2023 ANNUAL REPORT

KKR Lending Partners Europe III (Euro) SCSp

Financial Statements as of and for the
Period from January 24, 2023 (Commencement of Operations) to December 31, 2023 and
Independent Auditor's Report

KKR LENDING PARTNERS EUROPE III (EURO) SCSp

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INDEPENDENT AUDITOR'S REPORT

To KKR Lending Partners Europe III (EURO) SCSp:

Opinion

We have audited the financial statements of KKR Lending Partners Europe III (EURO) SCSp (the "Partnership"), which comprise the statement of financial condition, including the schedule of investments, as of December 31, 2023, and the related statements of operations, changes in partners' capital, and cash flows for the period from January 24, 2023 (commencement of operations) to December 31, 2023, and the related notes to the financial statements (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Partnership as of December 31, 2023, and the results of its operations, changes in its partners' capital, and its cash flows for the period from January 24, 2023 (commencement of operations) to December 31, 2023 in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). 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 required to be independent of the Partnership and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Partnership's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

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 absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Partnership's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Partnership's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Deloitte & Touche LLP

March 28, 2024

KKR LENDING PARTNERS EUROPE III (EURO) SCSp

STATEMENT OF FINANCIAL CONDITION AS OF DECEMBER 31, 2023 (Stated in Euros) (Amounts in thousands)

ASSETS

Investments, at estimated fair value	€	150,487
Cash and cash equivalents		7,904
Accrued interest		1,474
Unsettled investment sales		736
Deferred finance fee		287
Other receivables		4,793
		<hr/>
Total assets	€	165,681

LIABILITIES AND PARTNERS' CAPITAL

LIABILITIES

Revolving credit facility	€	51,424
Unsettled investment purchases		27,178
Due to Manager		1,694
Accrued interest expense		271
Derivative liabilities		76
		<hr/>
Total liabilities		80,643

PARTNERS' CAPITAL

General Partner		-
Limited Partners		85,038
		<hr/>
Total partners' capital		85,038

TOTAL LIABILITIES AND PARTNERS' CAPITAL	€	165,681
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See notes to financial statements.

KKR LENDING PARTNERS EUROPE III (EURO) SCSp
SCHEDULE OF INVESTMENTS
AS OF DECEMBER 31, 2023
(Stated in Euros)
(Amounts in thousands)

Issuer	Asset	Industry	Country	Currency	Coupon	Maturity Date	Quantity	Book value	Estimated Fair Value	Estimated Fair Value as a Percentage of Partners' Capital
Corporate Bonds										
Biofarma SpA	6.500% 05/2029 144A (CAF)	Medical	Italy	EUR	6.50	% 15/05/2029	9,745	€ 9,599	€ 9,511	11.18 %
Biofarma SpA	6.500% 05/2029 144A (USD)	Medical	Italy	USD	6.50	15/05/2029	15,626	13,671	13,806	16.24
Biofarma SpA	6.500% 05/2029 SSN 144A	Medical	Italy	USD	6.50	15/05/2029	3,125	2,734	2,761	3.25
Facile.it Broker Di Assicurazioni SpA	6.500% 12/2029 EUR	Insurance	Italy	EUR	6.50	23/12/2029	3,882	3,726	3,881	4.56
True Potential Investments LLP	5.750% 02/2028 144A (Add-On)	Asset Management & Custody Banks	United Kingdom	GBP	5.75	15/02/2028	3,789	4,288	4,285	5.04
True Potential Investments LLP	6.25% 02/2028 REGS SSN	Asset Management & Custody Banks	United Kingdom	GBP	6.25	15/02/2028	9,219	10,580	10,566	12.43
Total Corporate Bonds										
								€ 44,598	€ 44,810	52.70 %
Corporate Loans										
Aareon AG	TL IL 08/23 Unitranch	Software	European Union	EUR	6.25	% 19/08/2030	12,567	€ 12,269	€ 12,261	14.42 %
Aareon AG	TL IL DD CAR 08/23 EUR	Software	European Union	EUR	6.25	19/08/2030	3,142	3,068	3,065	3.60
Ardnaigh Group Ltd/The	TL IL DD B5 CAR 01/23 (Add-on)	Insurance	United Kingdom	USD	7.00	14/07/2026	4,973	2,186	2,245	2.64
Ardnaigh Group Ltd/The	TL IL DD-B4 08/22 (EUR)	Insurance	United Kingdom	EUR	6.75	14/07/2026	10,240	9,982	10,077	11.85
Arrotex Australia Group Pty Ltd	TL IL B1 06/23	Pharmaceutical	Australia	AUD	6.75	30/06/2028	2,353	1,350	1,438	1.69
Arrotex Australia Group Pty Ltd	TL IL B2 06/23	Pharmaceutical	Australia	AUD	6.75	30/06/2028	598	343	366	0.43
Civica Group Ltd	TL IL 08/23 AUD (Unitranche)	Software	United Kingdom	AUD	6.25	30/08/2030	534	308	323	0.38
Civica Group Ltd	TL IL 08/23 GBP (Unitranche)	Software	United Kingdom	GBP	6.25	30/08/2030	9,640	10,907	10,905	12.82
Civica Group Ltd	TL IL DD 08/23 GBP	Software	United Kingdom	GBP	6.25	30/08/2030	4,095	(136)	(94)	(0.11)
Group ONE	TL IL B1 03/23 EUR (Add-On)	Internet Services	European Union	EUR	6.25	30/06/2028	3,166	3,046	3,174	3.73
Group ONE	TL IL B2 DD 03/23	Internet Services	European Union	EUR	6.25	21/03/2030	905	(30)	2	-
HKA	TL IL DD (CAR) 05/23	Consultancy	United States of America	USD	6.50	09/08/2029	31,601	7,512	7,722	9.08
Industrial & Financial Systems IFS AB	TL IL 11/23 (GBP)	Health and Safety	United Kingdom	GBP	5.75	12/12/2028	15,488	17,315	17,718	20.85
Laboratoires Vivacy SAS	TL IL 10/22 Add-on (EUR)	Software	European Union	EUR	6.75	31/03/2028	4,272	4,086	4,315	5.07
Laboratoires Vivacy SAS	TL IL DD 03/23	Medical Equipment Manufacturing	European Union	EUR	6.75	30/09/2030	3,119	3,012	3,055	3.59
Laboratoires Vivacy SAS	TL IL B 03/23	Medical Equipment Manufacturing	European Union	EUR	6.75	30/09/2030	252	(11)	(5)	(0.01)
NovaTaste Austria GmbH	TL IL B 05/23 EUR	Food Industry	European Union	EUR	7.00	05/04/2030	2,977	2,920	2,901	3.41
NovaTaste Austria GmbH	TL IL DD CAR 05/23	Food Industry	European Union	EUR	7.00	05/04/2030	930	(26)	(23)	(0.03)
PIB Inc	TL IL DD 03/23	Insurance Brokers	United Kingdom	GBP	7.00	10/01/2028	3,400	1,808	1,827	2.15
Solima France SASU	TL IL 10/22 (Add-On)	Food Industry	France	USD	6.50	28/07/2028	4,000	3,518	3,657	4.30
Trescal SA	TL IL B1 05/23 (Unitranche)	Diversified Support Services	France	EUR	6.50	02/05/2030	1,580	1,570	1,555	1.83
Trescal SA	TL IL B2 04/23	Diversified Support Services	France	USD	6.50	02/05/2030	1,727	1,592	1,538	1.81
Trescal SA	TL IL DD 05/23	Diversified Support Services	France	EUR	6.50	02/05/2030	912	317	331	0.39
Version1 Software Ltd	TL IL DD 08/23 EUR	Software	Ireland	EUR	6.25	31/07/2030	13,861	(392)	(111)	(0.13)
Zoopla Ltd	TL IL B3 10/23 GBP	Internet Media & Services	United Kingdom	GBP	6.00	20/07/2028	15,279	17,080	17,435	20.50
								€ 103,594	€ 105,677	124.26 %
								€ 148,192	€ 150,487	176.96 %

See notes to financial statements.

KKR LENDING PARTNERS EUROPE III (EURO) SCSp
SCHEDULE OF INVESTMENTS (CONTINUED)
AS OF DECEMBER 31, 2023
(Stated in Euros)
(Amounts in thousands)

Counterparty	Country	Currency	Maturity Date	Notional	Estimated Fair Value	Estimated Fair Value as a Percentage of Partners' Capital
Derivative Contracts						
Foreign Exchange Forward Contracts						
Nomura Securities	United Kingdom	GBP	21/10/2024	£ 14,000	€ (21)	(0.02) %
Nomura Securities	United Kingdom	GBP	18/08/2025	£ 8,000	(27)	(0.03)
Nomura Securities	United Kingdom	GBP	16/09/2025	£ 8,000	(28)	(0.03)
Total Derivative Contracts					€ (76)	(0.08) %

See notes to financial statements.

KKR LENDING PARTNERS EUROPE III (EURO) SCSp

STATEMENT OF OPERATIONS FOR THE PERIOD FROM JANUARY 24, 2023 (COMMENCEMENT OF OPERATIONS) TO DECEMBER 31, 2023 (Stated in Euros) (Amounts in thousands)

INVESTMENT INCOME:	
Interest income	€ 5,824
Other investment income	63
	<hr/>
Total investment income	5,887
	<hr/>
EXPENSES:	
Interest expense	3,487
Management fees	200
Professional fees and other expenses	1,388
	<hr/>
Total expenses	5,075
	<hr/>
NET INVESTMENT INCOME (LOSS)	812
	<hr/>
NET REALIZED AND UNREALIZED GAINS (LOSSES):	
Net realized gains (losses)	278
Net change in unrealized appreciation (depreciation)	2,198
	<hr/>
Net realized and unrealized gains (losses)	2,476
	<hr/>
NET INCOME (LOSS)	€ 3,288
	<hr/> <hr/>

See notes to financial statements.

KKR LENDING PARTNERS EUROPE III (EURO) SCSp

STATEMENT OF CHANGES IN PARTNERS' CAPITAL FOR THE PERIOD FROM JANUARY 24, 2023 (COMMENCEMENT OF OPERATIONS) TO DECEMBER 31, 2023 (Stated in Euros) (Amounts in thousands)

	General Partner	Limited Partners	Total
PARTNERS' CAPITAL, January 24, 2023	€ -	€ -	€ -
Capital contributions	-	81,750	81,750
Allocation of net income (loss):			
Investment income	-	5,887	5,887
Management fees	-	(200)	(200)
Expenses	-	(4,875)	(4,875)
Net realized gains (losses)	-	278	278
Net change in unrealized appreciation (depreciation)	-	2,198	2,198
Net income/(loss)	-	3,288	3,288
Capital distributions	-	-	-
PARTNERS' CAPITAL, December 31, 2023	€ -	€ 85,038	€ 85,038

See notes to financial statements.

KKR LENDING PARTNERS EUROPE III (EURO) SCSp

STATEMENT OF CASH FLOWS FOR THE PERIOD FROM JANUARY 24, 2023 (COMMENCEMENT OF OPERATIONS) TO DECEMBER 31, 2023 (Stated in Euros) (Amounts in thousands)

CASH FLOWS FROM OPERATING ACTIVITIES:

Net income (loss)	€	3,288
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Purchases of investments		(148,426)
Net realized (gains) losses		(278)
Net change in unrealized (appreciation) depreciation		(2,198)
Changes in assets and liabilities:		
Unsettled investment purchase		27,178
Due to Manager		1,694
Accrued interest expense		271
Unsettled investment sales		(736)
Accrued interest		(1,474)
Other receivables		(4,793)
		<hr/>
Net cash flows provided by (used in) operating activities		(125,474)

CASH FLOWS FROM FINANCING ACTIVITIES:

Capital contributions		81,750
Deferred finance fee		(287)
Proceeds from revolving credit facility		51,915
		<hr/>
Net cash flows provided by (used in) financing activities		133,378

NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS 7,904

CASH AND CASH EQUIVALENTS, Beginning of period

 -

CASH AND CASH EQUIVALENTS, End of period €

 7,904

Supplemental Disclosure of Cash Flow Activities:

Cash paid for interest expense		(3,292)
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See notes to financial statements.

KKR LENDING PARTNERS EUROPE III (EURO) SCSp

NOTES TO FINANCIAL STATEMENTS

AS OF AND FOR THE PERIOD FROM JANUARY 24, 2023 (COMMENCEMENT OF OPERATIONS) TO DECEMBER 31, 2023

1. ORGANIZATION

KKR Lending Partners Europe III (Euro) SCSp (the “Partnership”), a Luxembourg special limited partnership, was organized on April 22, 2022 and commenced operations on January 24, 2023 (the “Commencement of Operations”). The Partnership is a newly formed special limited partnership (société en commandite spéciale) formed and governed by the Luxembourg law of August 10, 1915 on commercial companies, as amended and restated (the “1915 Law”) with its registered office at 2, rue Edward Steichen, L-2540 Luxembourg, Grand Duchy of Luxembourg and registered with the Luxembourg Register of Commerce and Companies (Registre de Commerce et des Sociétés, Luxembourg) (the “RCS”) under number B266794. The Partnership is being established as the successor fund to KKR Lending Partners Europe II (“KLPE II”). The investment period for the Partnership (the “Investment Period”) commences on the First Closing Date and continues until the earliest of (a) the date on which the aggregate Capital Commitments of the Partners to the Partnership have been invested (and are not subject to restoration), (b) the third anniversary of the Final Closing Date; provided that the Investment Period can be extended with the consent of the Advisory Committee or a majority in interest of the Limited Partners, (c) the election of all Limited Partners to reduce to zero their respective unused capital commitments to the Partnership to fund new investments other than previously committed investments, (d) following the Final Closing Date, the date on which Limited Partners holding Interests representing 75% of the aggregate Capital Commitments of the Limited Partners of the Partnership elect to terminate the Investment Period and (e) the date on which the General Partner elects to terminate the Investment Period. At the end of the Investment Period, all Partners will be released from any further obligation to make capital contributions for new investments.

KKR Associates Lending Europe III SCSp, a Luxembourg special limited partnership (the “General Partner”), serves as the general partner of the Partnership and in such capacity for making investment decisions on behalf of the Partnership. KKR Alternative Investment Management Unlimited Company (the “Manager”) serves as the alternative investment fund manager (the “AIFM”) of the Partnership under the EU Alternative Investment Fund Manager Directive (Directive 2011/61/EU, the “AIFMD”) and delegates certain portfolio management activities of the Partnership to KKR Credit Advisors (Ireland) Unlimited Company (“KKR Credit Advisors (Ireland)”) in accordance with the Partnership Agreement. The Manager and the General Partner are subsidiaries of KKR & Co. Inc. (“KKR”).

The objective of the Partnership is to generate current income through investments in primarily European secured debt, including in particular senior secured and secured loans and bonds. The Partnership focuses on direct originated transactions and proprietary or limited syndication transactions with third party intermediaries including investment banks. The Partnership’s target borrowers will primarily be European corporates that are smaller than companies that currently access the European banking channel. The Partnership may also invest in subordinated debt and may opportunistically target investments relating to the financing of hard assets, if the General Partner considers that such investments offer comparable risk and return profiles.

2. SIGNIFICANT ACCOUNTING PRINCIPLES

Basis of Presentation — The Partnership is considered an investment company as defined in Accounting Standards Codification (“ASC”) Topic 946 Financial Services – Investment Companies (“ASC 946”). The accompanying financial statements are presented in accordance with accounting principles generally accepted in the America (“U.S. GAAP”), using the specialized guidance in ASC 946, and are stated in Euros (“€”).

Use of Estimates — The preparation of financial statements in conformity with U.S. GAAP requires management to make certain estimates and assumptions that could affect the amounts reported in the Partnership’s financial statements and accompanying notes. Actual results could differ from management’s estimates.

KKR LENDING PARTNERS EUROPE III (EURO) SCSp

NOTES TO FINANCIAL STATEMENTS (CONTINUED) AS OF AND FOR THE PERIOD FROM JANUARY 24, 2023 (COMMENCEMENT OF OPERATIONS) TO DECEMBER 31, 2023

Cash and Cash Equivalents — Cash and cash equivalents include cash on hand, cash held in banks and highly liquid investments with original maturities of three or fewer months. Interest income earned on cash and cash equivalents is recorded in other investment income in the statement of operations. There were no cash equivalents as of December 31, 2023. There was no restricted cash as of December 31, 2023.

Other Investment Income — Other investment income consists of transaction fees including, but not limited to, delayed compensation, assignment, transfer, administration, bank interest income and amendment fees. Fees and other income are recorded when earned.

Management Fees — The Partnership pays the Manager a management fee. See Note 4 for further discussion of the specific terms of the computation. The management fee is paid quarterly in arrears and expensed during the period for which it is incurred.

Income Taxes — The Partnership is a Luxembourg Special Limited Partnership. Luxembourg does not impose income tax and as such the Partnership has not incurred any Luxembourg income tax expense. The Partnership is treated as a partnership for U.S. federal income tax purposes and is generally not subject to U.S. federal income tax at the entity level, but the Partnership may own investments that from time to time generate income that is subject to certain foreign tax withholding. U.S. federal and state income tax statutes require that the income or loss of a partnership be included in the tax returns of the individual partners.

In accordance with the authoritative guidance the Partnership determines whether a tax position of the Partnership is more likely than not to be sustained upon examination by the applicable taxing authority, including the resolution of any related appeals or litigation processes, based on the technical merits of the position. The tax benefit to be recognized is measured as the largest amount of benefit that is greater than 50% likely to be realized upon ultimate settlement, which could result in the Partnership recording a tax liability that would reduce net assets. The Partnership reviews and evaluates tax positions in its major jurisdictions and determines whether or not there are uncertain tax positions that require financial statement recognition. Based on this review, the Partnership has determined the major tax jurisdictions where the Partnership is organized and where the Partnership makes investments; however, no reserves for uncertain tax positions were required to be recorded for any of the Partnership's open tax years. The Partnership is subject to examination by U.S. federal tax authorities for returns filed for the prior three years and by state tax authorities for returns filed for the prior four years, and taxes associated with foreign tax jurisdictions remain subject to examination based on varying statutes of limitations, if any. The Partnership is additionally not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will change materially in the next twelve months. As a result, no other income tax liability or expense has been recorded in the accompanying financial statements.

Foreign Currency — The Partnership makes non-Euro denominated investments. As a result, the Partnership is subject to the risk of fluctuation in the exchange rate between Euros and the foreign currency in which it makes an investment.

The books and records of the Partnership are maintained in Euros. All investments denominated in foreign currency are converted to Euros using prevailing exchange rates at the end of the reporting date. Income, expenses, gains and losses on investments denominated in foreign currency are converted to Euros using the prevailing exchange rates on the dates when the transactions occurred.

The Partnership does not bifurcate that portion of the results of operations resulting from changes in foreign exchange rates on investments and interest from the fluctuations arising from changes in market prices of securities held. Such fluctuations are included with the net realized and change in unrealized gain or loss from investments, or interest income and expense, as applicable.

KKR LENDING PARTNERS EUROPE III (EURO) SCSp

NOTES TO FINANCIAL STATEMENTS (CONTINUED) AS OF AND FOR THE PERIOD FROM JANUARY 24, 2023 (COMMENCEMENT OF OPERATIONS) TO DECEMBER 31, 2023

Fair Value Measurements — Fair value is 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. Where available, fair value is based on observable market prices or parameters, or derived from such prices or parameters. Where observable prices or inputs are not available, valuation models are applied. These valuation techniques involve some level of management estimation and judgment, the degree of which is dependent on the price transparency for the instruments or market and the instruments' complexity for disclosure purposes.

Assets and liabilities recorded at fair value in the statement of financial condition are categorized based upon the level of judgment associated with the inputs used to measure their value. Hierarchical levels, as defined under U.S. GAAP, are directly related to the amount of subjectivity associated with the inputs to fair valuations of these assets and liabilities, and are as follows:

Level 1 — Inputs are unadjusted, quoted prices in active markets for identical assets or liabilities at the measurement date.

Level 2 — Inputs, other than quoted prices included in Level 1, that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar instruments in active markets, and inputs other than quoted prices that are observable for the asset or liability.

Level 3 — Inputs are unobservable inputs for the asset or liability, and include situations where there is little, if any, market activity for the asset or liability.

A significant decrease in the volume and level of activity for the asset or liability is an indication that transactions or quoted prices may not be representative of fair value because in such market conditions there may be increased instances of transactions that are not orderly. In those circumstances, further analysis of transactions or quoted prices is needed, and a significant adjustment to the transactions or quoted prices may be necessary to estimate fair value.

The availability of observable inputs can vary depending on the financial asset or liability and is affected by a wide variety of factors, including, for example, the type of product, whether the product is new, whether the product is traded on an active exchange or in the secondary market, and the current market condition. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Accordingly, the degree of judgment exercised by the Partnership in determining fair value is greatest for instruments categorized in Level 3. In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy within which the fair value measurement in its entirety falls is determined based on the lowest level input that is significant to the fair value measurement in its entirety. The Partnership's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and consideration of factors specific to the asset. The variability of the observable inputs affected by the factors described above may cause transfers between Levels 1, 2, and/or 3.

Many financial assets and liabilities have bid and ask prices that can be observed in the marketplace. Bid prices reflect the highest price that the Partnership and others are willing to pay for an asset. Ask prices represent the lowest price that the Partnership and others are willing to accept for an asset. For financial assets and liabilities whose inputs are based on bid-ask prices, the Partnership does not require that fair value always be a predetermined point in the bid-ask range. The Partnership's policy is to allow for mid-market pricing and adjusting to the point within the bid-ask range that meets the Partnership's best estimate of fair value.

Depending on the relative liquidity in the markets for certain assets, the Partnership may transfer assets to Level 3 if the Partnership determines that observable quoted prices, obtained directly or indirectly, are not available. The valuation techniques used for the assets and liabilities that are valued using Level 3 inputs of the fair value hierarchy are described below.

KKR LENDING PARTNERS EUROPE III (EURO) SCSp

NOTES TO FINANCIAL STATEMENTS (CONTINUED) AS OF AND FOR THE PERIOD FROM JANUARY 24, 2023 (COMMENCEMENT OF OPERATIONS) TO DECEMBER 31, 2023

Key unobservable inputs that have a significant impact on the Partnership's Level 3 valuations as described above are included in Note 8. The Partnership utilizes several unobservable pricing inputs and assumptions in determining the fair value of its Level 3 investments. These unobservable pricing inputs and assumptions may differ by asset and in the application of the Partnership's valuation methodologies. The reported fair value estimates could vary materially if the Partnership had chosen to incorporate different unobservable pricing inputs and other assumptions or, for applicable investments, if the Partnership only used either the discounted cash flow methodology or the market comparable methodology instead of assigning a weighting to both methodologies.

Corporate Loans and Corporate Bonds — Corporate Loans and Corporate Bonds are initially valued at transaction price and are subsequently valued using market data for similar instruments (e.g., recent transactions or broker quotes), comparisons to benchmark derivative indices, and valuation models. Valuation models are primarily based on yield analysis techniques, where the key inputs are based on relative value analyses, which incorporate similar instruments from similar issuers based on leverage and earnings before interest, taxes, depreciation and amortization ("EBITDA"). In addition, an illiquidity discount is applied where appropriate.

Derivative Contracts — Derivative contracts include forward contracts related to foreign currencies. Derivatives are initially valued using quoted market prices, if available, or models using a series of techniques, including closed-form analytic formulae, such as the Black-Scholes option-pricing model, and/or simulation models in the absence of quoted market prices. Many pricing models employ methodologies that have pricing inputs observed from actively quoted markets, as is the case for generic interest rate swap and option contracts.

Valuation Policy — Investments are generally valued based on quotations from third party pricing services, unless such a quotation is unavailable or is determined to be unreliable or inadequately representing the fair value of the particular assets. In that case, valuations are based on either valuation data obtained from one or more other third party pricing sources, including broker dealers, or will reflect the valuation committee's good faith determination of estimated fair value based on other factors considered relevant.

Recent Accounting Pronouncements — In June 2022, the FASB issued ASU 2022-03, ASC Subtopic 820 "Fair Value Measurement of Equity Securities Subject to Contractual Sale Restrictions". According to ASU 2022-03, an entity should not consider the contractual sale restriction when measuring the equity security's fair value and an entity is not allowed to recognize a contractual sale restriction as a separate unit of account. ASU 2022-03 is effective in fiscal years beginning after December 15, 2023 with early adoption permitted. The adoption of this standard is not expected to have a material impact on the financial statements.

3. PARTNERS' CAPITAL

The following table details the capital commitments of the Partnership as of December 31, 2023 (amounts in thousands):

	Committed Capital	Unfunded Commitment	Percentage of capital deployed
General Partner	€ -	€ -	- %
Limited Partners	545,000	463,250	15.00
Total	€ 545,000	€ 463,250	15.00 %

KKR LENDING PARTNERS EUROPE III (EURO) SCSp

NOTES TO FINANCIAL STATEMENTS (CONTINUED) AS OF AND FOR THE PERIOD FROM JANUARY 24, 2023 (COMMENCEMENT OF OPERATIONS) TO DECEMBER 31, 2023

The following table details the capital activity of the Partnership for the period ended December 31, 2023 (amounts in thousands):

Contributions for investments	€ 81,750
Contributions for management fees	-
Total contributions	<u>€ 81,750</u>
Distributions of investment proceeds	<u>€ -</u>

Capital contributions for management fees and organizational expenses shall not result in a reduction of the unused capital commitment.

According to the Partnership Agreement, no partner shall have the right to withdraw capital from the Partnership.

Except as otherwise provided in the Partnership Agreement, (a) no partner may demand or will be entitled to receive a return of or interest on its capital contributions or capital account, (b) no partner will be permitted to withdraw any portion of its capital contributions or receive any distributions from the Partnership as a return of capital on account of such capital contributions and (c) the Partnership will not redeem the interest of any partner.

4. MANAGEMENT FEES

Pursuant to the Alternative Investment Fund Manager Agreement (the “AIFM Agreement”) between the Partnership and KKR Alternative Investment Management Unlimited Company (the “AIFM”) and the Delegate Management Agreement between the Partnership, AIFM, and KKR Credit Advisors (Ireland) Unlimited Company (the “Advisor”) (together with the AIFM Agreement, the “Delegate Management Agreement”), the AIFM and the Advisor are entitled to receive, as compensation for their services rendered and expenses incurred in the management of the Partnership, a quarterly management fee determined in accordance with the AIFM Agreement.

The Partnership pays the Manager a management fee, calculated and payable quarterly in arrears in respect of each Limited Partner, at a rate equal to 0.85% per annum of the weighted average of the Invested Capital of the Partnership allocable to such Limited Partner.

As of December 31, 2023, the Partnership had a balance due to Manager of €1,694 thousand, of which €200 thousand was for management fees and €1,494 thousand was for reimbursable Partnership expenses that were funded by the Manager on a temporary basis in order to permit the Partnership to satisfy the payment of such expenses. The Partnership will reimburse the Manager for such amounts at cost, as and when Investment Proceeds are received by the Partnership.

KKR LENDING PARTNERS EUROPE III (EURO) SCSp

NOTES TO FINANCIAL STATEMENTS (CONTINUED) AS OF AND FOR THE PERIOD FROM JANUARY 24, 2023 (COMMENCEMENT OF OPERATIONS) TO DECEMBER 31, 2023

5. FINANCIAL HIGHLIGHTS

Financial highlights for the period ended December 31, 2023 are as follows:

	Standard Fee Limited Partners	Reduced Fee Limited Partners	Non-Fee Paying Limited Partners
Internal rates of return from the commencement of operations:			
Beginning of period	-	-	-
End of period	4.10%	4.13%	4.57%
Ratios to average partners' capital:			
Expenses	<u>(2.05%)</u>	<u>(11.97%)</u>	<u>(9.49%)</u>
Net investment income	<u>2.30%</u>	<u>13.51%</u>	<u>11.46%</u>

Financial highlights are calculated for the Reduced Fee Limited Partners, Standard Fee Limited Partners and Internal Limited Partners classes taken as a whole. The internal rate of return from the commencement of operations was computed based on the effective dates of the capital transactions, and the Limited Partners' capital at the end of the reporting period. An individual Limited Partner's results may vary.

6. DEBT OBLIGATIONS

The Partnership entered into a €132 million revolving credit agreement (the "Credit Facility") with Morgan Stanley that currently bears interest at Eurocurrency Rate plus 2.40%. The Credit Facility also bears an unused commitment fee 0.30% to 0.35%, depending on the percentage of the unused portion facility, on the total unused facility amount. The interest paid on the unused commitment is included within credit facility on the statement of operations. The Partnership has the option to upsize the Credit Facility to €1,000 million.

As of December 31, 2023, there was €51.4 million outstanding under the Credit Facility, and the Partnership was in compliance with the terms of the Credit Facility. The Credit Facility provides credit subject to availability under a borrowing base determined by the unused capital commitments of the Limited Partners.

7. DISTRIBUTIONS

Distributions — During the Investment Period, the Partnership may retain and reinvest any amount that would otherwise be distributable. The General Partner may, in its sole discretion, cause the Partnership to distribute all or any part of these retained distributions to the Limited partners and any such distribution will cause the Limited partners' unused capital commitments to increase.

Following the Final Closing Date, the General Partner intends to distribute all investment proceeds from dispositions of investments, net of the repayment of indebtedness, expenses and other reserves no later than 90 days after the end of the calendar quarter in which such proceeds were received by the Partnership. If the aggregate distributable balance is below the minimum threshold stated in the Partnership Agreement, the General Partner may, in its sole discretion, elect not to distribute all or any part of such amount and carry forward such amount to the following quarter.

The investment proceeds, consisting of current income and disposition proceeds, are tentatively assigned to the Limited Partners and to the General Partner in proportion to their basis in the investment.

KKR LENDING PARTNERS EUROPE III (EURO) SCSp

NOTES TO FINANCIAL STATEMENTS (CONTINUED) AS OF AND FOR THE PERIOD FROM JANUARY 24, 2023 (COMMENCEMENT OF OPERATIONS) TO DECEMBER 31, 2023

The portion tentatively assigned to the Limited Partners is then further assigned as follows:

- First, 100% investment proceeds are assigned to the Limited Partners until the Limited Partners have recovered their Adjusted Realized Capital, as defined in the Partnership Agreement.
- Second, 100% investment proceeds are assigned to the Limited Partners until the Limited Partners have achieved an internal rate of return equal to 5.5% per annum (the “Preferred Return”) on their Adjusted Realized Capital, compounded annually. The Preferred Return on their Adjusted Realized Capital is computed based on the effective dates of capital contributions and distributions.
- Third, 100% investment proceeds are assigned to the General Partner until such time that the General Partner has received cumulative proceeds equal to 10% of the cumulative cash distributions made to the Limited Partners in excess of their Adjusted Realized Capital.
- Thereafter, investment proceeds are assigned 90% to the Limited Partners and 10% to the General Partner.

The 10% allocations to the General Partner noted above are collectively termed “GP Carry”.

Allocation of Net Income or Net Loss — Income or loss is allocated to the Limited Partners and the General Partner pro rata in accordance with the amount of their commitments to the Partnership. At the end of each reporting period, the accrued GP Carry is calculated, which represents the portion of the Limited Partners’ proceeds that would be reallocated to the General Partner if the investment portfolio was realized at the reporting date using the current estimated market values. The reallocation of proceeds is calculated per the terms of the Partnership Agreement and is consistent with the methodology detailed in the Distributions section above. For the period ended December 31, 2023, no accrued carried interest was reallocated from the Limited Partners to the General Partner.

8. DERIVATIVE CONTRACTS

The Partnership enters into derivative transactions in order to hedge against foreign currency exchange rate risks on its non-Euro denominated investment securities. These contracts are marked-to-market by recognizing the difference between the contract forward exchange rate and the forward market exchange rate on the last day of the current period as unrealized appreciation or depreciation. Realized gains or losses are recognized when derivative contracts are settled.

The counterparties to the Partnership’s derivative contracts are major financial institutions with which the Partnership and its affiliates may also have other financial relationships. In the event of non-performance by the counterparties, the Partnership is potentially exposed to losses. The counterparties to the Partnership’s derivative agreements have investment grade ratings and, as a result, the Partnership does not anticipate that any of the counterparties will fail to fulfill their obligations.

The foreign currency forward contracts open at the end of the period are indicative of the volume of activity during the period ended December 31, 2023.

The table below summarizes the aggregate notional amount and estimated net fair value of the derivative instruments held as of December 31, 2023 (amounts in thousands):

	<u>As of December 31, 2023</u>	
	<u>Notional</u>	<u>Estimated Fair Value</u>
Foreign exchange forward contracts	€ 34,620	€ (76)
Total	€ 34,620	€ (76)

KKR LENDING PARTNERS EUROPE III (EURO) SCSp

NOTES TO FINANCIAL STATEMENTS (CONTINUED) AS OF AND FOR THE PERIOD FROM JANUARY 24, 2023 (COMMENCEMENT OF OPERATIONS) TO DECEMBER 31, 2023

The fair value of open derivative contracts is located in derivative liabilities in the statement of financial condition. Unrealized depreciation of €76 thousand from derivative financial instruments are included in net change in unrealized appreciation (depreciation) in the statement of operations.

The Partnership enters into master netting agreements or similar agreements with all of the Partnership's derivative counterparties.

Where legally enforceable, these master netting agreements give the Partnership, in the event of default by the counterparty, the right to settle its derivatives by offsetting receivables and payables with the same counterparty.

The fair value of derivative assets and liabilities are reported gross on the Partnership's statement of financial condition. There was no collateral posted for the foreign currency hedges.

As of December 31, 2023, the net amount of derivative assets and liabilities due are as follows (amounts in thousands):

	<u>Due from/(to)</u>
Nomura Securities	€ (76)
Total	<u>€ (76)</u>

9. FAIR VALUE MEASUREMENTS

The following table presents information about the Partnership's investments measured at fair value on a recurring basis as of December 31, 2023, and indicates the fair value hierarchy of the inputs utilized by the Partnership to determine such fair value (amounts in thousands):

	Quoted Prices in			
	Active markets for	Significant Other	Significant	Balance as of
	Identical Assets	Observable Inputs	Unobservable	December 31,
	(Level 1)	(Level 2)	Inputs (Level 3)	2023
Investments:				
Corporate bonds	€ -	€ -	€ 44,810	€ 44,810
Corporate loans	-	38,329	67,348	105,677
Derivative liabilities	-	(76)	-	(76)
Total	<u>€ -</u>	<u>€ 38,253</u>	<u>€ 112,158</u>	<u>€ 150,411</u>

The following table presents additional information about investments that are measured at fair value on a recurring basis for which the Partnership has utilized Level 3 inputs to determine fair value as of December 31, 2023 (amounts in thousands):

	Fair Value Measurements Using	
	Significant Unobservable Inputs	
	(Level 3)	
	<u>Corporate bonds</u>	<u>Corporate loans</u>
Purchases	€ 44,531	€ 65,858

KKR LENDING PARTNERS EUROPE III (EURO) SCSp

NOTES TO FINANCIAL STATEMENTS (CONCLUDED) AS OF AND FOR THE PERIOD FROM JANUARY 24, 2023 (COMMENCEMENT OF OPERATIONS) TO DECEMBER 31, 2023

The following table presents additional information about valuation techniques and inputs used for investments that are measured at fair value and categorized within Level 3 as of December 31, 2023 (fair value amounts in thousands):

	Fair Value as of	Valuation	Unobservable	
	December	Techniques ⁽¹⁾	Inputs ⁽²⁾	Range
	31, 2023			
Corporate bonds	€ 44,810	Yield Analysis	Yield	9.4% - 13.3%
			Discount Margin	0.9% - 2.7%
			Net Leverage	0.3x - 7.8x
			EBITDA Multiple	9.8x - 19.8x
Corporate loans	€ 67,348	Yield Analysis	Yield	9.4% - 13.3%
			Discount Margin	0.9% - 2.7%
			Net Leverage	0.3x - 7.8x
			EBITDA Multiple	9.8x - 19.8x

⁽¹⁾ For the assets that have more than one valuation technique, the Partnership may rely on the techniques individually or in aggregate based on a weight ascribed to each one ranging from 0-100%. When determining the weighting ascribed to each valuation methodology, the Partnership considers, among other factors, the availability of direct market comparables, the applicability of a discounted cash flow analysis and the expected hold period and manner of realization for the investment. These factors can result in different weightings among the investments and in certain instances, may result in up to a 100% weighting to a single methodology.

⁽²⁾ The significant unobservable inputs used in the fair value measurement of the Partnership's assets and liabilities may include the last twelve months ("LTM") EBITDA multiple, weighted average cost of capital, discount margin, probability of default, loss severity and constant prepayment rate. In determining certain of these inputs, management evaluates a variety of factors including economic, industry and market trends and developments; market valuations of comparable companies; and company specific developments including potential exit strategies and realization opportunities.

10. CONCENTRATION OF RISK

In the ordinary course of business, the Partnership manages a variety of risks, including market risk and credit risk. Market conditions such as interest rates, availability of credit, inflation rates, economic uncertainty, changes in law, and trade barriers may affect the level and volatility of the prices of financial instruments and the liquidity of the Partnership's investments. Market risk is a risk of potential adverse changes to the value of financial instruments because of changes in market conditions such as interest and currency rate movements and volatility in commodity or security prices. The Partnership is also subject to credit and counterparty risks when entering into transactions, including securities, loans, derivatives and over-the-counter transactions.

11. COMMITMENTS AND CONTINGENCIES

As at December 31, 2023, the Partnership had unfunded financing commitments, including financial guarantees related to corporate loans, totaling approximately €47.5 million. The Partnership did not have any significant losses as of December 31, 2023, nor does it expect any significant losses related to those assets for which it committed to purchase and fund. The Partnership expects to have sufficient liquidity to fulfill its commitments.

In the normal course of business, the General Partner, on behalf of the Partnership, may enter into certain contracts that contain a variety of indemnifications. The Partnership's maximum exposure under these arrangements is unknown as this would involve future claims that may be made that have not yet occurred. Currently, no such claims exist or are expected to arise and, accordingly, the Partnership has not accrued any liability in connection with such indemnifications.

12. SUBSEQUENT EVENTS

The Partnership evaluated all subsequent events through March 28, 2024, the date the financial statements were issued, and determined that no additional disclosures were necessary.

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KKR Global Credit Opportunities
Access Fund L.P.

KKR GCOF Access Fund Funding
L.P.

KKR GCOF Access Fund Holding
L.P.

2023 ANNUAL REPORT

KKR Global Credit Opportunities Access Fund L.P.

Financial Statements as of and for the Year Ended
December 31, 2023, and Independent Auditor's Report

KKR GLOBAL CREDIT OPPORTUNITIES ACCESS FUND L.P.

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The accompanying notes and the attached financial statements of the Master Funds are an integral part of these financial statements.

INDEPENDENT AUDITOR'S REPORT

To KKR Global Credit Opportunities Access Fund L.P.:

Opinion

We have audited the financial statements of KKR Global Credit Opportunities Access Fund L.P. (the "Partnership"), which comprise the statement of financial condition as of December 31, 2023, and the related statements of operations, changes in partners' capital, and cash flows for the year then ended, and the related notes to the financial statements (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Partnership as of December 31, 2023, and the results of its operations, changes in its partners' capital, and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). 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 required to be independent of the Partnership and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Partnership's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

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 absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Partnership's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Partnership's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Deloitte & Touche LLP

March 28, 2024

KKR GLOBAL CREDIT OPPORTUNITIES ACCESS FUND L.P.

STATEMENT OF FINANCIAL CONDITION

AS OF DECEMBER 31, 2023

(Stated in United States Dollars)

(Amounts in thousands)

ASSETS

Investment in Master Funds at fair value \$ 287,420

TOTAL ASSETS \$ 287,420

LIABILITIES AND PARTNERS' CAPITAL

LIABILITIES

Profit participating note, at fair value \$ 287,420

Total liabilities 287,420

PARTNERS' CAPITAL

General Partner -

Limited Partner -

Total partners' capital -

TOTAL LIABILITIES AND PARTNERS' CAPITAL \$ 287,420

The accompanying notes and the attached financial statements of the Master Funds are an integral part of these financial statements.

KKR GLOBAL CREDIT OPPORTUNITIES ACCESS FUND L.P.

**STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2023**

(Stated in United States Dollars)

(Amounts in thousands)

INVESTMENT INCOME ALLOCATED FROM MASTER FUNDS:	
Interest income	\$ 35,450
Dividend income (net of withholding taxes of \$127)	358
Other investment income	1,475
	<hr/>
Total investment income	37,283
	<hr/>
EXPENSES:	
ALLOCATED FROM MASTER FUNDS:	
Professional fees and other expenses	3,539
PARTNERSHIP EXPENSES:	
Interest expense	17,346
Other expenses	4
	<hr/>
Total expenses	20,889
	<hr/>
NET INVESTMENT INCOME (LOSS)	16,394
	<hr/>
NET REALIZED AND UNREALIZED GAINS (LOSSES) ALLOCATED FROM MASTER FUNDS:	
Net realized gains (losses)	(15,835)
Net change in unrealized appreciation (depreciation)	45,874
	<hr/>
Net realized and unrealized gains (losses) allocated from Master Funds	30,039
	<hr/>
Net change in unrealized appreciation (depreciation) on profit participating note	(46,433)
	<hr/>
NET REALIZED AND UNREALIZED GAINS (LOSSES)	(16,394)
	<hr/>
NET INCOME (LOSS)	\$ -
	<hr/> <hr/>

The accompanying notes and the attached financial statements of the Master Funds are an integral part of these financial statements.

KKR GLOBAL CREDIT OPPORTUNITIES ACCESS FUND L.P.

STATEMENT OF CHANGES IN PARTNERS' CAPITAL

FOR THE YEAR ENDED DECEMBER 31, 2023

(Stated in United States Dollars)

(Amounts in thousands)

	<u>General Partner</u>	<u>Limited Partner</u>	<u>Total</u>
PARTNERS' CAPITAL - January 1, 2023	\$ -	\$ -	\$ -
Allocation of net income (loss):			
Investment income	-	37,283	37,283
Expenses	-	(20,889)	(20,889)
Net realized and unrealized gains (losses)	-	(16,394)	(16,394)
Net income (loss)	-	-	-
PARTNERS' CAPITAL - December 31, 2023	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes and the attached financial statements of the Master Funds are an integral part of these financial statements.

KKR GLOBAL CREDIT OPPORTUNITIES ACCESS FUND L.P.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2023
(Stated in United States Dollars)
(Amounts in thousands)

CASH FLOWS FROM OPERATING ACTIVITIES:

Net income (loss)	\$ -
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:	
Withdrawals and distribution from Master Funds	63,290
Net (income) loss allocated from Master Funds	(33,744)
Net realized and unrealized (gains) losses allocated from Master Funds	(30,039)
Net change in unrealized (appreciation) depreciation on profit participating note	<u>46,433</u>
Net cash provided by (used in) operating activities	<u>45,940</u>

CASH FLOWS FROM FINANCING ACTIVITIES:

Profit participating note paydown	<u>(45,940)</u>
Net cash provided by (used in) financing activities	<u>(45,940)</u>

NET CHANGE IN CASH, CASH EQUIVALENTS AND RESTRICTED CASH -

CASH, CASH EQUIVALENTS AND RESTRICTED CASH, Beginning of year -

CASH, CASH EQUIVALENTS AND RESTRICTED CASH, End of year \$ -

SUPPLEMENTAL DISCLOSURE:

Cash paid for interest	\$ 17,346
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The accompanying notes and the attached financial statements of the Master Funds are an integral part of these financial statements.

KKR GLOBAL CREDIT OPPORTUNITIES ACCESS FUND L.P.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2023

1. ORGANIZATION

KKR Global Credit Opportunities Access Fund L.P. (the “Partnership”), a Singapore limited partnership, was organized on November 4, 2019. The Partnership commenced operations on November 21, 2019.

KKR Global Credit Opportunities Access Fund GP Limited (the “Cayman GP”), a Cayman Islands exempted limited company, serves as the general partner of the Partnership and in such capacity for making investment decisions on behalf of the Partnership.

The Partnership’s objective is to make investments through holding a limited partnership interest in KKR GCOF Access Fund Funding L.P. (Funding L.P.) and KKR GCOF Access Fund Holding L.P. (Holding L.P.) (collectively, the “Master Funds”). The Master Funds conduct the investing activities in accordance with certain provisions in the Master Funds’ organizational documents.

The audited financial statements of the Master Funds, including the schedule of investments, which are an integral part of these financial statements, are attached.

No management fee or incentive allocation will be charged by either the Master Funds nor the Partnership with respect to the Limited Partner.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation — The Partnership is considered an investment company as defined in Accounting Standards Codification (“ASC”) Topic 946 Financial Services – Investment Companies (“ASC 946”). The accompanying financial statements are presented in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”), using the specialized guidance in ASC 946, and are stated in United States dollars.

Use of Estimates — The preparation of financial statements in conformity with U.S. GAAP requires management to make certain estimates and assumptions that could affect the amounts reported in the Partnership’s financial statements and accompanying notes. Actual results could differ from management’s estimates.

Investment Income and Expenses — The Partnership records its proportionate share of the Master Funds investment income, expenses, realized gains and losses and changes in unrealized gains and losses. The Master Funds income recognition, expense recognition and net profit or loss allocation policies are discussed in the notes to the Master Funds financial statements. Expenses that are directly attributable to the Partnership are recorded on an accrual basis.

Income Taxes — The Partnership is treated as a partnership for U.S. federal income tax purposes and is generally not subject to U.S. federal income tax at the entity level, but the Partnership may own investments that from time to time generate income that is subject to certain foreign tax withholding.

U.S. federal and state income tax statutes require that the income or loss of a partnership be included in the tax returns of the individual partners.

In accordance with the authoritative guidance, the Partnership determines whether a tax position of the Partnership is more likely than not to be sustained upon examination by the applicable taxing authority, including the resolution of any related appeals or litigation processes, based on the technical merits of the position. The tax benefit to be recognized is measured as the largest amount of benefit that is greater than 50% likely of being realized upon ultimate settlement, which could result in the Partnership recording a tax liability that would reduce Partners' capital. The Partnership reviews and evaluates tax positions in its major jurisdictions and determines whether or not there are uncertain tax positions that require financial statement recognition. Based on this review, the Partnership has determined the major tax jurisdictions where the Partnership is organized and where the Partnership makes investments; however, no reserves for uncertain tax positions were required to be recorded for any of the Partnership's open tax years. The Partnership is subject to examination by United States federal tax authorities for returns filed for the prior three years and by state tax authorities for returns filed for the prior four years, and taxes associated with foreign tax jurisdictions remain subject to examination based on varying statutes of limitations, if any. The Partnership is not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will change materially in the next twelve months. As a result, no other income tax liability or expense has been recorded in the accompanying financial statements.

Distributions — Proceeds received from the Master Funds shall be distributed as soon as possible after receipt thereof by the Partnership. Each distribution of proceeds shall be made to the partners pro rata based on the amount received by the Partnership with respect to the underlying interest relating to each such partner after payment of Partnership expenses and other obligations of the Partnership.

Investment in Master Funds — The Partnership carries its investment in the Master Funds at fair value based on the Partnership's proportionate interest, as a practical expedient, in the partners' capital of the Master Funds. Valuation of securities held by the Master Funds is discussed in the notes to the Master Fund's financial statements. At December 31, 2023, the Partnership's investment in the Master Funds collectively was valued at \$260.2 million and \$27.2 million, which represents 100% of the Funding L.P. and Holding L.P. partners' capital, respectively.

3. PARTNERS' CAPITAL

In accordance with the partnership agreement (the "Agreement"), the Partnership establishes a Capital Account ("Capital Account") for the limited partner. The partner's Capital Account is initially credited with such partner's capital contribution, and subsequently adjusted to reflect withdrawals, such partner's share of the Partnership's liabilities, and allocation of income, deduction, gain and loss per month. Any net capital appreciation or depreciation is allocated to all partners in proportion to their opening Capital Account balances for such period.

Generally, a limited partner may withdraw all or any portion of a Capital Account as of the last day of any calendar quarter (each such date, a "Withdrawal Date"), upon not less than 60 days' prior written notice to the General Partners. The payment of amounts effectively withdrawn by a limited partner shall be made within 30 days of the applicable Withdrawal Date. If a limited partner withdraws 95% or more of a Capital Account, the Partnership shall pay the limited partner an amount equal to 95% of its estimated withdrawal proceeds (computed on the basis of unaudited data as of the Withdrawal Date) within 30 days after the Withdrawal date. The Partnership shall pay the balance within 30 days after the completion of the audit of the Partnership's books for the year in which the withdrawal occurs.

4. AGREEMENTS

Profit Participating Note — On November 8, 2019, the Partnership issued a Profit Participating Note ("PPN") to KKR Credit Income Fund with a maturity date of November 8, 2069. On December 31, 2023, the Partnership had a balance payable of \$296.0 million under the PPN.

The Company has elected the fair value option to account for the Profit Purchase Agreement to better align the measurement attributes of the liability. The PPN is valued based on the net asset value of the Partnership's interest in the Master Funds. Under the PPN agreement, proceeds shall be distributed following the priorities of payments as interest or principal or reinvested with the noteholder's prior agreement. During the year ended December 31, 2023, interest of \$17.3 million and principal of \$45.9 million was paid to the note holders.

Administrator — International Fund Services (N.A.), LLC (the "Administrator") provides accounting and administrative services to the Partnership and maintains the underlying accounting records. The Partnership pays the Administrator customary fees for its services.

5. CONCENTRATION OF RISK

In the ordinary course of business, the Partnership manages a variety of risks, including market risk and credit risk. Market conditions such as interest rates, availability of credit, inflation rates, foreign exchange rates, economic uncertainty, changes in law, and trade barriers may affect the level and volatility of the prices of financial instruments and the liquidity of the Partnership's investments. Market risk is a risk of potential adverse changes to the value of financial instruments because of changes in market conditions such as interest and currency rate movements and volatility in commodity or security prices. The Partnership is also subject to credit and counterparty risks when entering into transactions.

6. COMMITMENTS AND CONTINGENCIES

In the normal course of business, the General Partners, on behalf of the Partnership, enter into certain contracts that contain a variety of indemnifications. The Partnership's maximum exposure under these arrangements is unknown as this would involve future claims that may be made that have not yet occurred. Currently, no such claims exist or are expected to arise and, accordingly, the Partnership has not accrued any liability in connection with such indemnifications.

7. SUBSEQUENT EVENTS

The Partnership evaluated all subsequent events through March 28, 2024, the date the financial statements were available to be issued. From January 1, 2024 through March 28, 2024, the Partnership withdrew \$1.9 million from the Funding L.P.

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KKR GCOF Access Fund Funding L.P.

2023 ANNUAL REPORT

KKR GCOF Access Fund Funding L.P.

Financial Statements as of and for the Year Ended
December 31, 2023, and Independent Auditor's Report

KKR GCOF ACCESS FUND FUNDING L.P.

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INDEPENDENT AUDITOR'S REPORT

To KKR GCOF Access Fund Funding L.P.:

Opinion

We have audited the financial statements of KKR GCOF Access Fund Funding L.P. (the "Partnership"), which comprise the statement of financial condition, including schedule of investments, as of December 31, 2023, and the related statements of operations, changes in partners' capital, and cash flows for the year then ended, and the related notes to the financial statements (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Partnership as of December 31, 2023, and the results of its operations, changes in its partners' capital, and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). 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 required to be independent of the Partnership and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Partnership's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

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 absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Partnership's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Partnership's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Deloitte & Touche LLP

March 28, 2024

KKR GCOF ACCESS FUND FUNDING L.P.

STATEMENT OF FINANCIAL CONDITION

AS OF DECEMBER 31, 2023

(Stated in United States Dollars)

(Amounts in thousands)

ASSETS

Investments, at estimated fair value	\$	263,215
Cash and cash equivalents		1,989
Accrued interest		8,082
Due from broker		248
Other assets		1,357
		<hr/>

TOTAL ASSETS	\$	<u>274,891</u>
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LIABILITIES AND PARTNERS' CAPITAL

LIABILITIES

Loan payable	\$	13,000
Unsettled investment purchases		1,196
Other liabilities		438
		<hr/>

Total liabilities		<u>14,634</u>
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PARTNERS' CAPITAL

General Partner		-
Limited Partner		260,257
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Total partners' capital		<u>260,257</u>
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TOTAL LIABILITIES AND PARTNERS' CAPITAL	\$	<u>274,891</u>
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See notes to financial statements.

KKR GCOF ACCESS FUND FUNDING L.P.

SCHEDULE OF INVESTMENTS

AS OF DECEMBER 31, 2023

(Stated in United States Dollars, unless otherwise noted)

(Amounts in thousands)

Issuer	Asset	Industry	Country	Currency	Coupon	Maturity Date	Quantity	Book Value	Estimated Fair Value	Estimated Fair Value as a Percentage of Partners' Capital
CORPORATE LOANS:										
1-800 Contacts Inc	TL 2L B 10/20	Consumer Discretionary Distribution & Retail	United States	USD	SOFR + 675 bps	11/06/2028	3,590	\$ 3,579	\$ 3,609	1.39 %
Access CIG LLC	TL 2L 02/18	Commercial & Professional Services	United States	USD	SOFR + 775 bps	02/27/2026	92	93	92	0.03
Accurate Corp	TL IL B 07/23	Capital Goods	United States	USD	SOFR + 687 bps	05/18/2026	5,122	4,949	4,251	1.63
Ambridge Acquisition Co Inc	TL IL B 10/19	Consumer Services	United States	USD	SOFR + 375 bps	02/02/2026	2,020	1,931	1,888	0.73
Ambridge Acquisition Co Inc	TL IL B 09/20	Consumer Services	United States	USD	SOFR + 475 bps	02/02/2026	225	215	210	0.08
Amenium Services Inc	TL 2L B 12/21	Capital Goods	United States	USD	SOFR + 750 bps	05/15/2030	1,945	1,900	1,850	0.71
American Trailer Works Inc	TL IL 02/21	Capital Goods	United States	USD	SOFR + 375 bps	05/03/2028	1,713	1,619	1,683	0.65
Aruba Investments Inc	TL 2L 10/20	Materials	United States	USD	SOFR + 775 bps	11/24/2028	2,164	2,145	2,042	0.78
Astound Broadband (RCN/Radiate)	TL IL B 10/21	Media & Entertainment	United States	USD	SOFR + 325 bps	09/25/2026	2,660	2,271	2,094	0.80
Beik Inc	TL IL EX17/02/21 PIK Toggle (FLSO)	Consumer Discretionary Distribution & Retail	United States	USD	1000 bps	07/31/2025	5,837	4,652	1,084	0.42
Betcher Industries Inc	TL IL 02/21 (FLFO)	Consumer Discretionary Distribution & Retail	United States	USD	PRIME + 650 bps	07/31/2025	1,208	1,204	1,099	0.42
Brand Energy & Infrastructure Services Inc	TL 2L 11/21	Capital Goods	United States	USD	SOFR + 725 bps	12/14/2029	1,238	1,206	1,149	0.44
Champion/DSM engg	TL IL B 07/23	Capital Goods	United States	USD	SOFR + 550 bps	08/01/2030	712	685	710	0.27
Chart Industries Inc	TL IL B1 03/23 (USD)	Materials	Germany	USD	SOFR + 550 bps	03/29/2030	3,518	3,167	3,247	1.25
CHG Healthcare Services Inc	TL IL B 09/23	Capital Goods	United States	USD	SOFR + 325 bps	03/15/2030	177	176	177	0.07
ClubCorp Club Operations Inc	TL IL 10/23	Health Care Equipment & Services	United States	USD	SOFR + 325 bps	09/29/2028	49	49	49	0.02
DiversiTech Holdings Inc	TL 2L B 12/21	Consumer Services	United States	USD	SOFR + 500 bps	09/18/2026	1,214	1,180	1,176	0.45
Drive DAVIbiss Healthcare LLC	TL IL 03/21	Health Care Equipment & Services	United States	USD	SOFR + 675 bps	12/21/2029	1,365	1,354	1,249	0.48
Drive DeVibiss Healthcare LLC	TL IL 09/22 (PIK)	Health Care Equipment & Services	United States	USD	SOFR + 950 bps	06/01/2025	2,698	2,656	2,142	0.82
Engineered Machinery Holdings Inc	TL 2L 08/21	Capital Goods	United States	USD	SOFR + 1000 bps	06/01/2025	195	195	195	0.07
Entain PLC	TL IL B2 10/22	Consumer Services	United States	USD	SOFR + 600 bps	05/31/2029	311	311	294	0.11
Flint Group GmbH	TL IL 08/23 EUR (Super Senior)	Materials	Gibraltar	EUR	SOFR + 350 bps	10/31/2029	298	295	299	0.11
Flint Group GmbH	TL IL B 09/23 (OpCo) EUR	Materials	United States	EUR	EURIBOR + 800 bps	06/30/2026	23	27	28	0.01
Flint Group GmbH	TL IL B 09/23 PIK (HoldCo) EUR	Materials	Jersey	EUR	EURIBOR + 500 bps	12/31/2027	178	179	181	0.07
Flint Group GmbH	TL 2L 09/23 PIK (HoldCo) EUR	Materials	Jersey	EUR	EURIBOR + 700 bps	12/30/2027	86	92	69	0.03
Flow Control Group	TL 2L 03/21	Capital Goods	United States	USD	LIBOR + 675 bps	12/30/2027	115	111	16	0.01
Foresight Energy LLC	TL IL A 06/20 (Exit)	Materials	United States	USD	SOFR + 800 bps	03/17/2029	3,428	3,411	3,259	1.25
IntraFi Network LLC	TL 2L 11/21	Financial Services	United States	USD	SOFR + 625 bps	06/30/2027	1,379	1,379	1,379	0.53
Level 3 Financing Inc	TL IL 11/19	Telecommunication Services	United States	USD	SOFR + 175 bps	11/05/2029	407	404	398	0.15
NEP Broadcasting LLC	TL IL 05/20	Media & Entertainment	United States	USD	SOFR + 825 bps	05/01/2027	4,749	4,524	4,583	1.76
NEP Broadcasting LLC	TL IL B 09/18	Media & Entertainment	United States	USD	SOFR + 325 bps	06/01/2025	1,780	1,753	1,816	0.70
NEP Broadcasting LLC	TL 2L 07/18	Media & Entertainment	United States	USD	SOFR + 325 bps	10/30/2025	2,327	2,270	2,228	0.86
Orchid Orthopedic Solutions LLC	TL 2L 02/19	Health Care Equipment & Services	United States	USD	SOFR + 700 bps	10/19/2026	5,513	5,498	4,438	1.71
PAREXEL International Corp	TL 2L 07/21	Pharmaceuticals, Biotechnology, & Life Sciences	United States	USD	SOFR + 450 bps	03/05/2026	563	543	509	0.20
ProMach Group Inc	TL IL B 08/21	Capital Goods	United States	USD	SOFR + 375 bps	11/15/2029	6,070	5,982	6,059	2.33
PSAV Inc (aka Encore)	TL IL B 12/20	Software & Services	United States	USD	SOFR + 350 bps	08/31/2028	120	120	120	0.05
PSAV Inc (aka Encore)	TL IL B3 12/20	Software & Services	United States	USD	1500 bps	03/05/2025	3,038	2,946	2,986	1.15
Rough Country LLC	TL 2L 02/18	Software & Services	United States	USD	SOFR + 725 bps	10/15/2026	2,735	2,705	2,799	1.08
Scotiabank	TL 2L 07/21	Automobiles & Components	United States	USD	SOFR + 625 bps	09/10/2026	4,056	3,880	3,691	1.42
SIRVA Worldwide Inc	TL IL B 12/21	Health Care Equipment & Services	United States	USD	SOFR + 525 bps	07/30/2029	907	904	880	0.34
SIRVA Worldwide Inc	TL 2L 07/18	Commercial & Professional Services	United States	USD	SOFR + 550 bps	12/23/2028	1,691	1,606	1,486	0.19
Solar Winds Holdings Inc	TL 2L 07/18	Commercial & Professional Services	United States	USD	SOFR + 950 bps	08/04/2025	1,665	1,659	1,480	0.57
Solera LLC	TL IL B 11/22	Software & Services	United States	USD	SOFR + 950 bps	08/05/2026	672	657	579	0.22
SPX FLOW Inc	TL 2L 06/21 (PIK Toggle)	Software & Services	United States	USD	SOFR + 400 bps	02/17/2027	722	723	723	0.28
Summit Materials Holdings LP	TL IL B 03/22	Capital Goods	United States	USD	SOFR + 900 bps	06/04/2029	7,109	6,982	7,108	2.73
TIBCO Software Inc	TL IL B 11/23	Capital Goods	United States	USD	SOFR + 250 bps	04/05/2029	1,476	1,453	1,482	0.57
Total Safety US Inc	TL IL B 09/22	Software & Services	United States	USD	SOFR + 450 bps	01/12/2029	540	539	543	0.21
Truck Hero Inc	TL IL B 07/19	Automobiles & Components	United States	USD	SOFR + 600 bps	03/30/2029	5,026	4,659	4,922	1.89
Univar Inc	TL IL 01/21	Automobiles & Components	United States	USD	SOFR + 350 bps	08/16/2025	7,054	6,855	6,750	2.59
USIC Holdings Inc	TL IL B 02/23	Energy	United States	USD	SOFR + 325 bps	01/31/2028	143	133	142	0.05
Vantage Specialty Chemicals Inc	TL 2L 06/23	Capital Goods	United States	USD	SOFR + 450 bps	02/22/2030	527	524	529	0.20
Varsity Brands Inc	TL 2L 05/21	Capital Goods	United States	USD	SOFR + 650 bps	08/01/2030	374	367	377	0.14
VC GB Holdings Inc (Visual Comfort)	TL IL B 02/23	Consumer Durables & Apparel	United States	USD	SOFR + 475 bps	05/14/2029	601	599	559	0.21
Ventex Aerospace Services Corp	TL 2L 06/21	Capital Goods	United States	USD	SOFR + 675 bps	12/15/2026	7,280	6,980	7,251	0.55
Virgin Media Inc	TL IL B 12/21	Media & Entertainment	United States	USD	SOFR + 325 bps	07/23/2029	2,034	2,020	1,966	0.76
West Corp	TL IL 09/19	Commercial & Professional Services	United States	USD	SOFR + 250 bps	12/06/2028	251	251	251	0.10
Wheel Pros Inc	TL IL B3 01/23	Automobiles & Components	United States	USD	SOFR + 400 bps	01/31/2028	463	459	462	0.18
	TL IL 09/23 (FILO)	Automobiles & Components	United States	USD	SOFR + 888 bps	04/10/2027	570	523	545	0.21
						02/10/2028	664	587	715	0.27

See notes to financial statements.

(continued)

KKR GCOF ACCESS FUND FUNDING L.P.

SCHEDULE OF INVESTMENTS

AS OF DECEMBER 31, 2023

(Stated in United States Dollars, unless otherwise noted)

(Amounts in thousands)

Issuer	Asset	Industry	Country	Currency	Coupon	Maturity Date	Quantity	Book Value	Estimated Fair Value	Estimated Fair Value as a Percentage of Partners' Capital
CORPORATE LOANS (Continued):										
Wheel Pros Inc	TL JL 09/23 (NewCo)	Automobiles & Components	United States	USD	SOPR + 450 bps	05/11/2028	543	\$ 520	\$ 410	0.16 %
Yak Access LLC	TL JL 03/23	Capital Goods	United States	USD	SOPR + 640 bps	03/10/2028	2,308	\$ 1,873	\$ 2,088	0.80
Total corporate loans										
HIGH YIELD SECURITIES:										
Agproducts Inc (aka Cabinetworks)	6.375% 05/2029 144A	Capital Goods	United States	USD	6.38 bps	05/15/2029	6,564	\$ 6,564	\$ 4,866	1.87 %
AerCap Holdings	6.500% 06/2045 144A	Capital Goods	Ireland	USD	650 bps	06/15/2045	850	\$ 836	\$ 852	0.33
Air France-KLM	3.875% 07/2026 SUNS REGS	Transportation	France	EUR	388 bps	07/01/2026	400	\$ 412	\$ 439	0.17
Alain Athletou SA	4.250% 05/2026 SSN REGS	Consumer Discretionary: Distribution & Retail	France	EUR	425 bps	05/19/2026	440	\$ 454	\$ 485	0.19
Alliant Holdings Inc	7.000% 01/2031 144A	Insurance	United States	USD	700 bps	01/15/2031	76	\$ 76	\$ 80	0.03
Alliant Universal Holdco LLC	6.625% 07/2026 144A	Commercial & Professional Services	United States	USD	663 bps	07/15/2026	169	\$ 160	\$ 168	0.06
American Airlines Group Inc	3.750% 03/2025 144A	Transportation	United States	USD	375 bps	03/01/2025	6,144	\$ 5,887	\$ 5,993	2.30
Archrock Partners LP / Archrock Partners Finance Corp	6.875% 04/2027 144A	Energy	United States	USD	688 bps	04/01/2027	223	\$ 218	\$ 224	0.09
Astound Broadband (RCN/Radiate)	6.500% 09/2028 144A	Media & Entertainment	United States	USD	650 bps	09/15/2028	1,331	\$ 1,485	\$ 752	0.29
Aviation Capital Group LLC	5.500% 12/2024 144A	Capital Goods	United States	USD	550 bps	12/15/2024	221	\$ 218	\$ 220	0.08
Block Communications Inc	4.875% 03/2028 144A	Media & Entertainment	United States	USD	488 bps	03/01/2028	2,459	\$ 2,459	\$ 2,540	0.98
Brand Energy & Infrastructure Services Inc	10.375% 06/2029 144A	Capital Goods	United States	USD	1038 bps	08/01/2030	3,413	\$ 3,444	\$ 3,614	1.39
Burger King France SAS	7.750% 10/2027 PIK REGS	Consumer Staples: Distribution & Retail	France	EUR	EURIBOR + 775 bps	11/01/2027	438	\$ 453	\$ 481	0.18
Cablevision Lightpath LLC	5.625% 09/2028 144A	Media & Entertainment	United States	USD	563 bps	09/15/2028	560	\$ 485	\$ 442	0.17
Carnival Corp	6.000% 05/2029 144A	Consumer Services	United States	USD	600 bps	05/01/2029	3,740	\$ 3,740	\$ 3,602	1.38
Cedar Fair LP	5.375% 04/2027	Consumer Services	United States	USD	538 bps	04/15/2027	234	\$ 220	\$ 229	0.09
Chemours Co/The	4.000% 05/2026	Materials	United States	EUR	400 bps	05/15/2026	446	\$ 453	\$ 486	0.19
Chemours Co/The	5.375% 05/2027	Materials	United States	EUR	538 bps	05/15/2027	290	\$ 270	\$ 284	0.11
Cirsa Funding Luxembourg SA	4.500% 03/2027 SSN REGS	Consumer Services	United States	EUR	450 bps	03/15/2027	452	\$ 457	\$ 481	0.18
Cision Ltd	9.500% 02/2028 144A	Software & Services	Luxembourg	EUR	950 bps	02/15/2028	1,296	\$ 1,343	\$ 675	0.26
Commscope Inc	6.000% 06/2025 144A	Technology: Hardware & Equipment	United States	USD	600 bps	06/15/2025	4,663	\$ 4,614	\$ 3,805	1.46
Commscope Inc	6.000% 03/2026 144A	Technology: Hardware & Equipment	United States	USD	600 bps	03/01/2026	1,261	\$ 1,093	\$ 1,125	0.43
Comy Inc	4.750% 04/2026 UnSec REGS	Household & Personal Products	United States	EUR	475 bps	04/15/2026	195	\$ 202	\$ 216	0.08
CSC Holdings LLC (Alice USA)	5.750% 01/2030 144A	Media & Entertainment	United States	USD	575 bps	01/15/2030	4,844	\$ 4,772	\$ 3,020	1.16
Douglas Holding AG	8.250% 10/2026 SUN REGS	Consumer Discretionary: Distribution & Retail	Germany	EUR	825 bps	10/01/2026	1,824	\$ 1,989	\$ 1,966	0.76
Douglas Holding AG	6.000% 04/2026 SSN REGS	Consumer Discretionary: Distribution & Retail	Germany	EUR	600 bps	04/08/2026	2,927	\$ 3,450	\$ 3,201	1.23
Erecom Holdings Ireland Ltd	2.625% 02/2027 SSN REGS	Telecommunication Services	Ireland	EUR	263 bps	02/15/2027	217	\$ 203	\$ 226	0.09
Electricite de France SA	4.000% 12/2099 Perpetual SUN REGS	Utilities	France	EUR	400 bps	12/31/2099	400	\$ 422	\$ 439	0.17
Energizer Holdings Inc	6.500% 12/2027 144A	Food, Beverage & Tobacco	United States	USD	650 bps	12/31/2027	305	\$ 290	\$ 305	0.12
Flora Food Group	7.875% 05/2026 144A	Food, Beverage & Tobacco	Netherlands	USD	788 bps	05/15/2026	3,656	\$ 3,667	\$ 3,295	1.27
Forvia SE	2.625% 06/2025 REGS	Automobiles & Components	France	EUR	263 bps	06/15/2025	432	\$ 451	\$ 469	0.18
Genesis Energy	6.250% 05/2026	Energy	United States	USD	625 bps	05/15/2026	390	\$ 384	\$ 390	0.15
Genesis Energy	8.000% 01/2027	Energy	United States	USD	800 bps	01/15/2027	257	\$ 252	\$ 261	0.10
Genesis Energy	8.250% 01/2029	Energy	United States	USD	825 bps	01/15/2029	397	\$ 393	\$ 409	0.16
Genesis Energy	8.875% 04/2030	Energy	United States	USD	888 bps	04/15/2030	1,034	\$ 1,024	\$ 1,060	0.41
Genesis Energy	7.000% 08/2027	Energy	United States	USD	700 bps	08/01/2027	227	\$ 221	\$ 222	0.08
Global Partners LP / GLP Finance Corp	6.750% 07/2030 144A	Consumer Services	United States	USD	675 bps	07/15/2030	2,859	\$ 2,383	\$ 2,514	0.97
Griifco SA	3.200% 05/2025 SUN REGS	Pharmaceuticals, Biotechnology & Life Sciences	Spain	EUR	320 bps	05/01/2025	431	\$ 419	\$ 418	0.18
Hanesbrands Inc	4.875% 05/2026 144A	Consumer Durables & Apparel	United States	USD	488 bps	05/15/2026	434	\$ 405	\$ 419	0.16
IBO Vervaltings GmbH	3.750% 09/2026 REGS	Automobiles & Components	Germany	EUR	375 bps	09/15/2026	442	\$ 445	\$ 471	0.18
JBO Foundex & Co Inc	8.750% 12/2031 144A	Automobiles & Components	United States	USD	875 bps	12/15/2031	442	\$ 442	\$ 451	0.17
JC Penney Corp Inc	8.625% 03/2025 144A	Consumer Discretionary: Distribution & Retail	United States	USD	863 bps	03/15/2025	1,125	\$ 1,113	\$ -	-
LBM Borrower LLC	6.250% 01/2029 144A	Capital Goods	United States	USD	625 bps	01/15/2029	1,695	\$ 1,695	\$ 1,515	0.58
Maaador Resources Co	5.875% 09/2026	Energy	United States	USD	588 bps	09/15/2026	219	\$ 212	\$ 217	0.08
Maxis Discount Tire Inc	6.500% 05/2029 144A	Consumer Discretionary: Distribution & Retail	United States	USD	650 bps	05/15/2029	7,605	\$ 7,605	\$ 6,886	2.65
Maxim Crane Works LP / Maxim Finance Corp	11.500% 09/2028 144A	Capital Goods	United States	USD	1150 bps	09/01/2028	4,701	\$ 4,610	\$ 4,877	1.87
Merlin Entertainments PLC	4.500% 11/2027 144A	Consumer Services	Ireland	EUR	450 bps	11/15/2027	2,224	\$ 2,150	\$ 2,259	0.86
Merlin Entertainments PLC	6.625% 11/2027 144A	Consumer Services	Ireland	EUR	663 bps	11/15/2027	27	\$ 27	\$ 25	0.01
Multi-Color Corp	10.500% 07/2027 144A	Commercial & Professional Services	United States	USD	1050 bps	07/15/2027	3,389	\$ 3,390	\$ 3,254	1.25
Multi-Color Corp	9.500% 11/2028 144A	Commercial & Professional Services	United States	USD	950 bps	11/01/2028	696	\$ 696	\$ 704	0.27
Multi-Color Corp	8.250% 11/2029 144A	Commercial & Professional Services	United States	USD	825 bps	11/01/2029	393	\$ 334	\$ 332	0.13
Multi-Color Corp	6.875% 08/2028 144A	Insurance	United States	USD	688 bps	08/15/2028	9,176	\$ 9,314	\$ 9,335	3.59
National Financial Partners Corp	5.875% 10/2024	Financial Services	United States	USD	588 bps	10/25/2024	223	\$ 221	\$ 223	0.09
Navigent Corp	3.625% 12/2024 144A	Consumer Services	United States	USD	363 bps	12/15/2024	2,257	\$ 2,213	\$ 2,194	0.84

See notes to financial statements.

(continued)

KKR GCOF ACCESS FUND FUNDING L.P.

SCHEDULE OF INVESTMENTS

AS OF DECEMBER 31, 2023

(Stated in United States Dollars, unless otherwise noted)

(Amounts in thousands)

Issuer	Asset	Industry	Country	Currency	Coupon	Maturity Date	Quantity	Book Value	Estimated Fair Value	Estimated Fair Value as a Percentage of Partners' Capital
HIGH YIELD SECURITIES (Continued):										
Neon Holdings Inc (GPD Cos Inc)	10.125% 04/2026 144A	Capital Goods	United States	USD	1013 bps	04/01/2026	143	\$ 133	\$ 132	0.05 %
NGL Energy Partners LP / NGL Energy Finance Corp	7.500% 02/2026 144A	Energy	United States	USD	750 bps	02/01/2026	1,836	1,801	1,836	0.71
Nidda Healthcare Holding AG	7.500% 08/2026 SSN REGS (Prelim)	Pharmaceuticals, Biotechnology, & Life Sciences	Germany	EUR	750 bps	08/21/2026	413	450	471	0.18
Oldcastle Buildingdeveloppe Inc	9.500% 04/2020 144A	Capital Goods	United States	USD	6,538	04/15/2030	6,538	6,097	6,382	2.45
Outfront Media Capital LLC / Outfront Media Capital Corp	5.000% 08/2027	Media & Entertainment	United States	USD	500 bps	08/15/2027	296	265	286	0.11
Power Solutions	4.375% 05/2026 REGS EUR	Automobiles & Components	United States	EUR	438 bps	05/15/2026	432	452	474	0.18
PrimeSource Building Products Inc	5.625% 02/2029 144A	Capital Goods	United States	USD	563 bps	02/01/2029	212	159	170	0.06
Q-Park Holding 1BV	6.750% 08/2029 144A	Capital Goods	United States	USD	4,696	08/01/2029	4,696	4,696	3,852	1.48
Renk AG/Frankfurt am Main	2.000% 03/2027 SSN REGS	Commercial & Professional Services	Netherlands	EUR	200 bps	03/01/2027	421	405	431	0.17
Rockies Express Pipeline LLC	5.750% 07/2025 REGS	Capital Goods	Germany	EUR	575 bps	07/15/2025	422	452	464	0.18
Rolls-Royce PLC	3.600% 05/2025 144A	Energy	United States	USD	360 bps	05/15/2025	169	161	164	0.06
Scientific Games International Inc	4.625% 01/2026 REGS	Capital Goods	United Kingdom	EUR	463 bps	02/16/2026	221	231	249	0.09
SI Group Inc	7.500% 09/2031 144A	Consumer Services	United States	USD	750 bps	09/01/2031	313	313	327	0.13
Sitro Royalties Corp	6.750% 05/2026 144A	Materials	United States	USD	675 bps	05/15/2026	7,030	7,030	2,292	0.88
Six Flags Entertainment Corp	7.875% 11/2028 144A	Energy	United States	USD	788 bps	11/01/2028	766	760	794	0.31
Samira Ready Mix Concrete LLC	7.250% 05/2031 144A	Consumer Services	United States	USD	725 bps	05/15/2031	593	565	595	0.23
Solara Midstream Holdings LLC	8.875% 11/2031 144A	Materials	United States	USD	888 bps	11/15/2031	1,484	1,459	1,530	0.59
Specialty Building Products Holdings LLC	7.625% 04/2026 144A	Energy	United States	USD	763 bps	04/01/2026	227	223	230	0.09
SPX FLOW Inc	6.375% 09/2026 144A	Capital Goods	United States	USD	638 bps	09/30/2026	245	234	241	0.09
SRS Distribution Inc	8.750% 04/2030 144A	Capital Goods	United States	USD	875 bps	04/01/2030	3,799	3,650	3,803	1.46
SRS Distribution Inc	6.125% 07/2029 144A	Capital Goods	United States	USD	613 bps	07/01/2029	1,369	1,287	1,300	0.50
Tallgrass Energy Partners LP / Tallgrass Energy Finance Corp	6.000% 12/2029 144A	Capital Goods	United States	USD	600 bps	12/01/2029	4,328	4,195	4,404	1.55
Tallgrass Energy Partners LP / Tallgrass Energy Finance Corp	7.500% 10/2025 144A	Energy	United States	USD	750 bps	10/01/2025	160	159	161	0.06
Techem Energy Services GmbH/Germany	6.000% 03/2027 144A	Commercial & Professional Services	Germany	EUR	600 bps	03/01/2027	169	162	165	0.06
TeamSystem SpA	3.500% 02/2028 REGS	Software & Services	Italy	EUR	350 bps	02/15/2028	581	546	595	0.23
TIBCO Software Inc	4.375% 07/2027 SSN REGS EUR	Capital Goods	Germany	EUR	438 bps	07/15/2027	455	454	487	0.19
Trivium Packaging Finance BV	6.500% 03/2029 144A	Software & Services	United States	USD	650 bps	03/31/2029	4	3	4	-
Truck Hero Inc	3.750% 08/2026 REGS SSN	Materials	Netherlands	EUR	375 bps	08/15/2026	450	454	482	0.19
Unifrax LLC / Unifrax Holding Co	6.250% 02/2029 144A	Automobiles & Components	United States	USD	625 bps	02/01/2029	2,004	1,702	1,816	0.70
Unifrax LLC / Unifrax Holding Co	5.250% 09/2028 144A	Capital Goods	United States	USD	525 bps	09/30/2028	3,105	3,105	2,246	0.86
Veritext Corp	7.500% 09/2029 144A	Capital Goods	United States	USD	750 bps	09/30/2029	1,311	1,311	669	0.26
Viking Cruises Ltd	8.500% 08/2030 144A	Financial Services	United States	USD	850 bps	08/15/2030	452	452	471	0.18
Viking Cruises Ltd	6.250% 05/2025 144A	Consumer Services	United States	USD	625 bps	05/15/2025	224	220	224	0.09
Viking Cruises Ltd	7.000% 02/2029 144A	Consumer Services	United States	USD	700 bps	02/15/2029	2,924	2,839	2,902	1.11
White Pros Inc	9.125% 07/2031 144A	Consumer Services	United States	USD	913 bps	07/15/2031	4,394	4,395	4,685	1.80
White Cap Construction Supply Inc	6.500% 05/2028 144A	Automobiles & Components	United States	USD	650 bps	05/11/2028	9,538	9,530	4,919	1.89
Zayo Group LLC	8.250% 03/2026 144A (9% PK Toggle)	Capital Goods	United States	USD	825 bps	03/15/2026	1,640	1,603	1,635	0.63
ZF Finance GmbH	4.000% 03/2027 144A	Telecommunication Services	United States	USD	400 bps	03/01/2027	2,500	1,776	1,846	0.71
	3.000% 09/2025 SSN REGS	Automobiles & Components	Germany	EUR	300 bps	09/21/2025	400	417	432	0.17
Total high yield securities								\$ 155,295	\$ 137,682	\$2.91 %
STRUCTURED PRODUCTS AND OTHER INVESTMENTS:										
Anywhere Real Estate Group LLC	0.25(0% 06/2026 (Convertible)	Real Estate Management & Development	United States	USD	25 bps	06/15/2026	2,278	\$ 1,843	\$ 1,797	0.69 %
Flint Group GmbH	Common Stock (Ordinary A Shares)	Materials	Jersey	EUR	N/A	N/A	112	-	-	-
JetBlue Airways Corp	0.500% 04/2026 144A (Convertible)	Transportation	United States	USD	50 bps	04/01/2026	3,395	2,842	2,461	0.94
Marriott Ownership Resorts Inc	0.000% 01/2026 (Convertible)	Consumer Services	United States	USD	2,495	01/15/2026	2,495	2,208	2,203	0.85
NCL Ltd	Perpetual Preferred L+1025	Software & Services	United States	USD	4	02/31/2099	4	3,419	3,027	1.16
NCL Corp Ltd	1.125% 02/2027 (Convertible)	Consumer Services	United States	USD	5,182	02/15/2027	5,182	4,147	4,758	1.83
Redfin Corp	0.000% 10/2025 (Convertible)	Real Estate Management & Development	United States	USD	3,402	10/15/2025	3,402	2,971	2,868	1.10
Sixth Street CLO XVI Ltd	SIXST 2021a-16A ER	Financial Services	United States	USD	605	01/20/2037	605	599	600	0.23
TIBCO Software Inc	Private Equity (KKR Citrix Aggregator L.P.)	Software & Services	United States	USD	712	N/A	712	680	860	0.33
Yak Access LLC	Preferred Stock (Series B1)	Capital Goods	United States	USD	2,307	N/A	2,307	2,266	119	0.05
Yak Access LLC	Common Stock (Series A)	Capital Goods	United States	USD	N/A	N/A	10	-	1	-
Total structured products and other investments								\$ 20,975	\$ 18,694	7.18 %
Total Investments								\$ 290,281	\$ 263,215	101.14 %

See notes to financial statements.

(concluded)

KKR GCOF ACCESS FUND FUNDING L.P.

STATEMENT OF OPERATIONS FOR THE YEAR ENDED DECEMBER 31, 2023

(Stated in United States Dollars)

(Amounts in thousands)

INVESTMENT INCOME	
Interest income	\$ 31,753
Dividend income (net of withholding taxes of \$120)	348
Other investment income	<u>1,475</u>
Total investment income	<u>33,576</u>
EXPENSES	
Professional fees and other expenses	<u>3,536</u>
Total expenses	<u>3,536</u>
NET INVESTMENT INCOME (LOSS)	<u>30,040</u>
NET REALIZED AND UNREALIZED GAINS (LOSSES):	
Net realized gains (losses)	(15,756)
Net change in unrealized appreciation (depreciation)	<u>44,380</u>
Net realized and unrealized gains (losses)	<u>28,624</u>
NET INCOME (LOSS)	<u>\$ 58,664</u>

See notes to financial statements.

KKR GCOF ACCESS FUND FUNDING L.P.

STATEMENT OF CHANGES IN PARTNERS' CAPITAL FOR THE YEAR ENDED DECEMBER 31, 2023

(Stated in United States Dollars)

(Amounts in thousands)

	<u>General Partner</u>	<u>Limited Partner</u>	<u>Total</u>
PARTNERS' CAPITAL - January 1, 2023	\$ -	\$ 255,058	\$ 255,058
Capital contributions	-	14,236	14,236
Capital distributions	-	(67,701)	(67,701)
Allocation of net income (loss)			
Investment income (loss)	-	33,576	33,576
Professional fees and other expenses	-	(3,536)	(3,536)
Net realized and unrealized gains (losses)	-	28,624	28,624
Net income (loss)	-	58,664	58,664
PARTNERS' CAPITAL - December 31, 2023	<u>\$ -</u>	<u>\$ 260,257</u>	<u>\$ 260,257</u>

See notes to financial statements.

KKR GCOF ACCESS FUND FUNDING L.P.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED DECEMBER 31, 2023

(Stated in United States Dollars)

(Amounts in thousands)

CASH FLOWS FROM OPERATING ACTIVITIES:

Net income (loss)	\$ 58,664
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:	
Purchases of investments in securities	(112,475)
Proceeds from sale of investments in securities	170,704
Interest payments in kind	(1,883)
Net realized (gains) losses	15,756
Net change in unrealized (appreciation) depreciation	(44,380)
Net (accretion) amortization of (discount) premium	(3,755)
Change in other assets and liabilities:	
Accrued interest	(362)
Due from broker	(248)
Unsettled investment sales	1,889
Other assets	(464)
Unsettled investment purchases	534
Other liabilities	(1,655)
Net cash provided by (used in) operating activities	<u>82,325</u>

CASH FLOWS FROM FINANCING ACTIVITIES:

Loan payable	(33,000)
Capital contributions	14,236
Capital distributions	<u>(67,701)</u>
Net cash provided by (used in) financing activities	<u>(86,465)</u>

NET CHANGE IN CASH AND CASH EQUIVALENTS (4,140)

CASH AND CASH EQUIVALENTS, Beginning of year 6,129

CASH AND CASH EQUIVALENTS, End of year \$ 1,989

See notes to financial statements.

KKR GCOF ACCESS FUND FUNDING L.P.

NOTES TO FINANCIAL STATEMENTS

AS OF DECEMBER AND FOR THE YEAR ENDED DECEMBER 31, 2023

1. ORGANIZATION

KKR GCOF Access Fund Funding L.P. (the “Partnership”), a Cayman Islands exempted limited partnership, was organized on September 17, 2020. The Partnership commenced operations on October 22, 2020.

KKR GCOF Access Fund Funding GP Limited (the “General Partner”), a Cayman Islands exempted limited partnership, serves as the general partner of the Partnership and in such capacity for making investment decisions on behalf of the Partnership.

At the commencement of operations, the limited partner contributed to the Partnership by way of an in-kind capital contribution from its limited partner interests in KKR GCOF Access Fund Holding L.P.

The Partnership’s investment objective is to achieve an attractive, risk-adjusted return through investment in a diversified portfolio of fixed income securities and financial instruments. The Partnership will invest primarily in high yield bonds, leveraged loans, structured products and, to a lesser extent, illiquid credit. The Partnership may also invest in common or preferred stock, warrants, exchange-traded funds and other equity interest, equity or debt tranches of collateralized debt obligations and collateralized loan obligations, other asset-backed securities, trade claims, sovereign debt and such investments deemed appropriate by the Manager.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation — The Partnership is considered an investment company as defined in Accounting Standards Codification (“ASC”) Topic 946 Financial Services – Investment Companies (“ASC 946”). The accompanying financial statements are presented in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”), using the specialized guidance in ASC 946, and are stated in United States dollars.

Use of Estimates — The preparation of financial statements in conformity with U.S. GAAP requires management to make certain estimates and assumptions that could affect the amounts reported in the Partnership’s financial statements and accompanying notes. Actual results could differ from management’s estimates.

Investments — Investments are carried at estimated fair value and are accounted for on a trade-date basis. Interest is recorded on the accrual basis. Unamortized premiums and unaccreted discounts are recognized over the contractual life adjusted for actual prepayments of the investments using the effective interest method. Realized gains and losses are calculated on the specific identified cost basis.

Cash and Cash Equivalents — Cash and cash equivalents include cash on hand, cash held in banks and highly liquid investments with original maturities of three or fewer months. Interest income earned on cash and cash equivalents is recorded in other investment income in the statement of operations. As of December 31, 2023, there were \$2.0 million of cash and cash equivalents (0.76% of partners’ capital) of which \$1.7 million is cash equivalents and \$0.3 million is cash. Cash equivalents consisted of shares in the Goldman Sachs Money Market Fund. These cash equivalents are categorized as Level 1 assets.

Income Taxes — The Partnership is a Cayman Islands exempted limited partnership. The Cayman Islands does not impose income tax and as such the Partnership has not incurred any Cayman Islands income tax expense. The Partnership is treated as a partnership for U.S. federal income tax purposes and is generally not subject to U.S. federal income tax at the entity level, but the Partnership may own investments that from time to time generate income that is subject to certain foreign tax withholding. U.S. federal and state income tax statutes require that the income or loss of a partnership be included in the tax returns of the individual partners.

In accordance with the authoritative guidance, the Partnership determines whether a tax position of the Partnership is more likely than not to be sustained upon examination by the applicable taxing authority, including the resolution of any related appeals or litigation processes, based on the technical merits of the position. The tax benefit to be recognized is measured as the largest amount of benefit that is greater than 50% likely of being realized upon ultimate settlement, which could result in the Partnership recording a tax liability that would reduce partners' capital. The Partnership reviews and evaluates tax positions in its major jurisdictions and determines whether or not there are uncertain tax positions that require financial statement recognition. Based on this review, the Partnership has determined the major tax jurisdictions where the Partnership is organized and where the Partnership makes investments; however, no reserves for uncertain tax positions were required to be recorded for any of the Partnership's open tax years. The Partnership is subject to examination by United States federal tax authorities for returns filed for the prior three years and by state tax authorities for returns filed for the prior four years, and taxes associated with foreign tax jurisdictions remain subject to examination based on varying statutes of limitations, if any. The Partnership is not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will change materially in the next twelve months. As a result, no other income tax liability or expense has been recorded in the accompanying financial statements.

Foreign Currency — The Partnership makes non-U.S. dollar denominated investments. As a result, the Partnership is subject to the risk of fluctuation in the exchange rate between the U.S. dollar and the foreign currency in which it makes an investment.

The books and records of the Partnership are maintained in U.S. dollars. All investments denominated in foreign currency are converted to the U.S. dollar using prevailing exchange rates at the end of the reporting period. Income, expenses, gains and losses on investments denominated in foreign currency are converted to the U.S. dollar using the prevailing exchange rates on the dates when the transactions occurred.

The Partnership does not bifurcate that portion of the results of operations resulting from changes in foreign exchange rates on investments and interest from the fluctuations arising from changes in market prices of securities held. Such fluctuations are included with the net realized and change in unrealized gains or losses from investments and derivatives, or interest income and expense, as applicable.

Allocation of Net Income or Net Loss — Income or loss is allocated to the Partnership Capital Accounts (as defined in Footnote 3) of all the partners in proportion to their respective ownership percentages.

Fair Value Measurements — Fair value is 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. Where available, fair value is based on observable market prices or parameters, or derived from such prices or parameters. Where observable prices or inputs are not available, valuation models are applied. These valuation techniques involve some level of management estimation and judgment, the degree of which is

dependent on the price transparency for the instruments or market and the instruments' complexity for disclosure purposes.

Assets and liabilities recorded at fair value in the statement of financial condition are categorized based upon the level of judgment associated with the inputs used to measure their value. Hierarchical levels, as defined under U.S. GAAP, are directly related to the amount of subjectivity associated with the inputs to fair valuations of these assets and liabilities, and are as follows:

Level 1 — Inputs are unadjusted, quoted prices in active markets for identical assets or liabilities at the measurement date.

Level 2 — Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar instruments in active markets, and inputs other than quoted prices that are observable for the asset or liability.

Level 3 — Inputs are unobservable inputs for the asset or liability, structured products and other investments and include situations where there is little, if any, market activity for the asset or liability.

A significant decrease in the volume and level of activity for the asset or liability is an indication that transactions or quoted prices may not be representative of fair value because in such market conditions there may be increased instances of transactions that are not orderly. In those circumstances, further analysis of transactions or quoted prices is needed, and a significant adjustment to the transactions or quoted prices may be necessary to estimate fair value.

The availability of observable inputs can vary depending on the financial asset or liability and is affected by a wide variety of factors, including, for example, the type of product, whether the product is new, whether the product is traded on an active exchange or in the secondary market, and the current market condition. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Accordingly, the degree of judgment exercised by the Partnership in determining fair value is greatest for instruments categorized in Level 3. In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy within which the fair value measurement in its entirety falls is determined based on the lowest level input that is significant to the fair value measurement in its entirety. The Partnership's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and consideration of factors specific to the asset. The variability of the observable inputs affected by the factors described above may cause transfers between Levels 1, 2, and/or 3.

Many financial assets and liabilities have bid and ask prices that can be observed in the marketplace. Bid prices reflect the highest price that the Partnership and others are willing to pay for an asset. Ask prices represent the lowest price that the Partnership and others are willing to accept for an asset. For financial assets and liabilities whose inputs are based on bid-ask prices, the Partnership does not require that fair value always be a predetermined point in the bid-ask range. The Partnership's policy is to allow for mid-market pricing and adjusting to the point within the bid-ask range that meets the Partnership's best estimate of fair value.

Depending on the relative liquidity in the markets for certain assets, the Partnership may transfer assets to Level 3 if the Partnership determines that observable quoted prices, obtained directly or indirectly, are not available. The valuation techniques used for the assets and liabilities that are valued using Level 3 inputs of the fair value hierarchy are described below.

Certain Corporate Loans and Certain High Yield Securities — Certain corporate loans and certain high yield securities are initially valued at transaction price and are subsequently valued using market data for similar instruments (e.g., recent transactions or broker quotes), comparisons to benchmark derivative indices, valuation models or a liquidation analysis. Valuation models are primarily based on yield analysis techniques, where the key inputs are based on relative value analyses, which incorporate similar instruments from similar issuers based on leverage and earnings before interest, taxes, depreciation and amortization (“EBITDA”). Liquidation analyses are primarily based on the recoverability of the asset where the key inputs to value the company are leverage and EBITDA. In addition, an illiquidity discount is applied where appropriate.

Certain Structured Products and Other Investments — Certain structured products and other investments are initially valued at transaction price and are subsequently valued using observable market prices, if available, or internally developed models in the absence of readily observable market prices. Valuation models are generally based on market and income approaches (discounted cash flow and market comparables), in which various internal and external factors are considered. Factors include key financial inputs and recent public and private transactions for comparable investments. Key inputs used for the discounted cash flow approach include the weighted average cost of capital and assumed inputs used to calculate terminal values, such as EBITDA. The fair value recorded for a particular investment will generally be within the range suggested by the two approaches. Upon completion of the valuations conducted, an illiquidity discount is applied where appropriate. Many pricing models employ methodologies that have pricing inputs observed from actively quoted markets.

The Partnership carries its investments in certain limited partnership interests at fair value based on the Partnership’s proportionate interest, as a practical expedient, in the net assets of those limited partnerships. The Partnership generally does not have the ability to liquidate or redeem from the limited partnerships.

Key unobservable inputs that have a significant impact on the Partnership’s Level 3 valuations as described above are included in Note 8. The Partnership utilizes several unobservable pricing inputs and assumptions in determining the fair value of its Level 3 investments. These unobservable pricing inputs and assumptions may differ by asset and in the application of the Partnership’s valuation methodologies. The reported fair value estimates could vary materially if the Partnership had chosen to incorporate different unobservable pricing inputs and other assumptions or, for applicable investments, if the Partnership only used either the discounted cash flow methodology or the market comparables methodology instead of assigning a weighting to both methodologies.

Payment-in-kind — Certain of the Partnership’s investments in debt securities contain a contractual payment-in-kind (“PIK”) interest provision. The PIK provisions generally feature the obligation or the option at each interest payment date of making interest payments in (i) cash, (ii) additional securities or (iii) a combination of cash and additional securities. PIK interest, computed at the contractual rate specified in the investment’s credit agreement, is accrued as interest income and recorded as interest receivable up to the interest payment date. On the interest payment dates, the Partnership will capitalize the accrued interest receivable attributable to PIK as additional principal due from the borrower. When additional PIK securities are received on the interest payment date, they typically have the same terms, including maturity dates and interest rates as the original securities issued. PIK interest generally becomes due at maturity of the investment or upon the investment being called by the issuer.

If the portfolio company valuation indicates the value of the PIK investment is not sufficient to cover the contractual PIK interest, the Partnership will not accrue additional PIK interest income until received.

Valuation Policy — Investments are generally valued based on quotations from third party pricing services, unless such a quotation is unavailable or is determined to be unreliable or inadequately representing the fair value of the particular assets. In that case, valuations are based on either valuation data obtained from one or more other third party pricing sources, including broker dealers, or will reflect the valuation committee’s good faith determination of estimated fair value based on other factors considered relevant.

Recent Accounting Pronouncements — In June 2022, the FASB issued ASU 2022-03, ASC Subtopic 820 “Fair Value Measurement of Equity Securities Subject to Contractual Sale Restrictions”. According to ASU 2022-03, an entity should not consider the contractual sale restriction when measuring the equity security’s fair value and an entity is not allowed to recognize a contractual sale restriction as a separate unit of account. ASU 2022-03 is effective in fiscal years beginning after December 15, 2024, with early adoption permitted. The adoption of this standard did not have a material impact to these financial statements.

3. PARTNERS’ CAPITAL

In accordance with the partnership agreement (the “Agreement”), the Partnership establishes a Capital Account (“Capital Account”) for the limited partner. The partner’s Capital Account is initially credited with such partner’s capital contribution, and subsequently adjusted to reflect withdrawals, such partner’s share of the Partnership’s liabilities, and allocation of income, deduction, gain and loss per month. Any net capital appreciation or depreciation is allocated to all partners in proportion to their opening Capital Account balances for such period.

The limited partner shall have the right to make withdrawals from its capital account at any time, provided that the limited partner may not withdraw in full from the Partnership except with the written consent of the General Partner and the secured party (if any at the time of such withdrawal) and upon such terms and conditions as may be specifically agreed upon between the General Partner and the limited partner and the secured party (at the time of such withdrawal). The provisions hereof with respect to distributions upon withdrawal are exclusive and no partner shall be entitled to claim any further or different distribution upon withdrawal. In-kind withdrawals may be made by the limited partner as may be agreed from time to time by the General Partner. Notwithstanding the foregoing, the limited partner may withdraw without the consent of the General Partner all amounts from its capital account other than \$1.

Subject to applicable law, an amount equal to the declared net investment income amount shall be withdrawn on a monthly basis (net of reserves for accrued expenses, liabilities or contingencies of the Partnership for, among other things, estimated legal, accounting, administrative and other ordinary course expenses of the Partnership) and at the election of the limited partner shall be paid to the limited partner (any such withdrawal and payment, a “Net Investment Income Payment”). The General Partner will cause such Net Investment Income Payments to be distributed on or about the 30th calendar day after the relevant calendar month end. For the year ended December 31, 2023, \$67.7 million was distributed.

4. AGREEMENTS

Administrator — International Fund Services (N.A.), LLC (the “Administrator”) provides accounting and administrative services to the Partnership and maintains the underlying accounting records. The Partnership pays the Administrator customary fees for its services.

Custodian — State Street Bank and Trust Company (the “Custodian”) serves as the Partnership’s custodian pursuant to a custody agreement. The Partnership pays the Custodian customary fees for its services.

5. DEBT OBLIGATIONS

On January 30, 2021, the Partnership entered into a \$100.0 million revolving credit agreement (the “Credit Facility”) with Bank of America, N.A. with interest at SOFR plus 1.70%. The Credit Facility was entered to manage timing differences between capital calls and the funding of investment opportunities, and to borrow in foreign currencies for purposes of hedging foreign currency risk of non U.S. dollar investments. As of December 31, 2023, there was \$13.0 million of borrowings outstanding, and the Borrowers were in compliance with the terms of the Credit Facility and the interest expense related to the Credit Facility amounts to \$2.3 million which is included within the professional fees and other expenses.

6. FINANCIAL HIGHLIGHTS

Financial highlights for the year ended December 31, 2023, are as follows:

Total return	24.76 %
Ratios to average partners’ capital	
Total expenses	<u>1.30 %</u>
Net investment income (loss)	<u>11.04 %</u>

7. FAIR VALUE MEASUREMENTS

The following table presents information about the Partnership’s investments measured at fair value on a recurring basis as of December 31, 2023, and indicates the fair value hierarchy of the inputs utilized by the Partnership to determine such fair value (amounts in thousands):

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance as of December 31, 2023
ASSETS				
Investments:				
Corporate loans	\$ -	\$ 88,432	\$ 18,407	\$ 106,839
High yield securities	-	132,763	4,919	137,682
Structured products and other investments	-	14,207	3,627	17,834
Money market fund	1,719	-	-	1,719
Total Assets	<u>\$ 1,719</u>	<u>\$ 235,402</u>	<u>\$ 26,953</u>	<u>\$ 264,074</u>

As of December 31, 2023, \$860 thousand of Structured products and other investments was held at Net Asset Value.

The following table presents additional information about investments that are measured at fair value on a recurring basis for which the Partnership has utilized Level 3 inputs to determine fair value as of December 31, 2023 (amounts in thousands):

	Fair Value Measurements Using Significant Unobservable Inputs (Level 3)		
	Corporate loans	Structured products and other investments	High yield securities
	Purchases	\$ 1,681	\$ 598
Transfers into Level III	7,108	-	-

There were no transfers out of Level 3 for the year ended December 31, 2023.

The following table presents additional information about valuation techniques and inputs used for investments that are measured at fair value and categorized within Level 3 as of December 31, 2023 (fair value amounts in thousands):

	Fair Value as of December 31, 2023	Valuation Techniques ⁽¹⁾	Unobservable Inputs ⁽²⁾	Range
Corporate Loans	\$ 18,407	Yield analysis	Yield	10.7% - 14.5%
			Discount margin	3.6% - 4.8%
			Net leverage	0.3x - 6.8x
			EBITDA multiple	2.4x - 12.5x
High yield securities	\$ 4,919	Yield analysis	Net leverage	12.9x - 12.9x
			EBITDA multiple	9.6x - 9.6x
Structured products and other investments	\$ 3,627	Yield analysis	Discount margin	7.0% - 7.0%
			Yield	21.0% - 21.0%
			Net leverage	8.6% - 8.6%
			EBITDA multiple	12.5x - 12.5x
		Discounted cash flow	Probability of default	2.0% - 2.0%
			Loss severity	40.0% - 40.0%
			Constant prepayment rate	20.0% - 20.0%

⁽¹⁾ For the assets that have more than one valuation technique, the Partnership may rely on the techniques individually or in aggregate based on a weight ascribed to each one ranging up to 100%. When determining the weighting ascribed to each valuation methodology, the Partnership considers, among other factors, the availability of direct market comparable, the applicability of a discounted cash flow analysis and the expected hold period and manner of realization for the investment. These factors can result in different weightings among the investments and in certain instances, may result in up to a 100% weighting to a single methodology.

⁽²⁾ The significant unobservable inputs used in the fair value measurement of the Partnership's assets and liabilities may include the last twelve months ("LTM") EBITDA multiple, weighted average cost of capital, discount margin, probability of default, loss severity and constant prepayment rate. In determining certain of these inputs, management evaluates a variety of factors including economic, industry and market trends and developments; market valuations of comparable companies; and company specific developments including potential exit strategies and realization opportunities. Significant increases or decreases in any of these inputs in isolation could result in significantly lower or higher fair value measurement.

8. CONCENTRATION OF RISK

In the ordinary course of business, the Partnership manages a variety of risks, including market risk and credit risk. Market conditions such as interest rates, availability of credit, inflation rates, foreign exchange rates, economic uncertainty, changes in law, and trade barriers may affect the level and volatility of the prices of financial instruments and the liquidity of the Partnership's investments. Market risk is a risk of potential adverse changes to the value of financial instruments because of changes in market conditions such as interest and currency rate movements and volatility in commodity or security prices. The Partnership is also subject to credit and counterparty risks when entering into transactions, including securities, loans, derivatives and over-the-counter transactions.

9. COMMITMENTS AND CONTINGENCIES

In the normal course of business, the General Partner, on behalf of the Partnership, enters into certain contracts that contain a variety of indemnifications. The Partnership's maximum exposure under these arrangements is unknown as this would involve future claims that may be made that have not yet occurred. Currently, no such claims exist or are expected to arise and, accordingly, the Partnership has not accrued any liability in connection with such indemnifications.

10. SUBSEQUENT EVENTS

The Partnership evaluated all subsequent events through March 28, 2024, the date the financial statements were available to be issued, and determined that no additional disclosures were necessary. From January 1, 2024 through March 28, 2024, there were redemptions of \$1.9 million from the KKR Global Credit Opportunities Access Fund L.P.

* * * * *

KKR

KKR GCOF Access Fund Holding L.P.

2023 ANNUAL REPORT

KKR GCOF Access Fund Holding L.P.

Financial Statements as of and for the Year Ended
December 31, 2023, and Independent Auditor's Report

KKR GCOF ACCESS FUND HOLDING L.P.

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INDEPENDENT AUDITOR'S REPORT

To KKR GCOF Access Fund Holding L.P.:

Opinion

We have audited the financial statements of KKR GCOF Access Fund Holding L.P. (the "Partnership"), which comprise the statement of financial condition, including the schedule of investments, as of December 31, 2023, and the related statements of operations, changes in partners' capital, and cash flows for the year then ended, and the related notes to the financial statements (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Partnership as of December 31, 2023, and the results of its operations, changes in its partners' capital, and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). 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 required to be independent of the Partnership and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Partnership's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

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 absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Partnership's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Partnership's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Deloitte & Touche LLP

March 28, 2024

KKR GCOF ACCESS FUND HOLDING L.P.

STATEMENT OF FINANCIAL CONDITION

AS OF DECEMBER 31, 2023

(Stated in United States Dollars)

(Amounts in thousands)

ASSETS

Investments, at estimated fair value	\$	23,279
Cash and cash equivalents		641
Accrued interest		3,384
Derivative assets		43
Due from broker		22
		<hr/>

TOTAL ASSETS	\$	27,369
		<hr/> <hr/>

LIABILITIES AND PARTNERS' CAPITAL

LIABILITIES

Derivative liabilities	\$	207
		<hr/>
Total liabilities		207
		<hr/>

PARTNERS' CAPITAL

General Partner		-
Limited Partner		27,162
		<hr/>

Total partners' capital		27,162
		<hr/>

TOTAL LIABILITIES AND PARTNERS' CAPITAL	\$	27,369
		<hr/> <hr/>

See notes to financial statements.

KKR GCOF ACCESS FUND HOLDING L.P.

SCHEDULE OF INVESTMENTS

AS OF DECEMBER 31, 2023

(Stated in United States Dollars, unless otherwise noted)
(Amounts in thousands)

Issuer	Asset	Industry	Country	Currency	Coupon	Maturity Date	Quantity	Book Value	Estimated Fair Value	Estimated Fair Value as a Percentage of Partners' Capital
STRUCTURED PRODUCTS AND OTHER INVESTMENTS:										
ABBBS CLO 4 Ltd	ABBBSL 2023-4A E	Financial Services	United States	USD	SOFOR + 81.6 bps	04/20/2036	601	\$ 602	\$ 607	2.23 %
AMMC CLO 22 Ltd	AMMC 2018-22A E1B	Financial Services	United States	USD	SOFOR + 57.5 bps	04/25/2031	331	322	318	1.17
Apidos CLO XLVII Ltd	APID 2023-46A D	Financial Services	United States	USD	SOFOR + 500 bps	10/24/2036	168	168	171	0.63
Arbour CLO III DAC	ARBOR 3A DRR	Financial Services	Ireland	EUR	EURIBOR + 310 bps	07/15/2034	395	300	306	1.13
Aves European CLO	ARESE 10A E	Financial Services	Ireland	EUR	EURIBOR + 501 bps	10/15/2031	399	349	411	1.51
Ballyrook CLO Ltd	BALLY 2019-1A DR	Financial Services	United States	USD	SOFOR + 67.5 bps	07/15/2032	544	544	538	1.98
Bloom US CLO III Ltd bbb	BBAM 2023-3A D	Financial Services	United States	USD	SOFOR + 80.0 bps	10/15/2038	679	666	676	2.49
Benefit Street Partners CLO Ltd	BSP 2021-23A E	Financial Services	United States	USD	SOFOR + 68.1 bps	04/25/2034	416	409	416	1.53
BlueMountain Fuji Eur CLO V DAC	BLUME 5A D	Financial Services	Ireland	EUR	EURIBOR + 38.5 bps	01/15/2033	527	565	570	2.10
CIFC Funding Ltd	CIFC 2019-2A ER	Financial Services	United States	USD	SOFOR + 65.9 bps	04/17/2034	350	346	348	1.28
Eaton Vance CDO Ltd	EATON 2020-2A ER	Financial Services	United States	USD	SOFOR + 65.0 bps	01/15/2035	101	101	100	0.37
Gibson Guitars Corp	Common Stock	Consumer Durables & Apparel	United States	USD	N/A	N/A	28	1,884	2,936	10.80
KKR CLO 24 Ltd	Class E	Financial Services	Cayman Islands	USD	SOFOR + 63.8 bps	04/20/2032	290	287	289	1.06
KKR Static CLO 1 Ltd	KSTAT 2022-1A E	Financial Services	United States	USD	SOFOR + 62.2 bps	07/20/2031	1,130	1,036	1,066	3.92
KKR Static CLO 1 Ltd	KSTAT 2022-1A SUB	Financial Services	United States	USD	UNDEFINED + 0 bps	07/20/2031	1,309	1,309	1,228	4.52
KKR Static CLO 2 Ltd	KSTAT 2022-2A E	Financial Services	United States	USD	SOFOR + 72.5 bps	10/20/2031	913	833	917	3.38
KKR Static CLO 2 Ltd	KSTAT 2022-2A SUB	Financial Services	United States	USD	N/A	10/20/2031	1,420	1,420	1,708	6.29
Elmwood CLO	MDPK 2021-59A E	Financial Services	United States	USD	SOFOR + 66.0 bps	01/18/2034	572	572	568	2.09
Msys Ltd	Perpetual Preferred L+1025	Software & Services	United States	USD	LIBOR + 112.5 bps	12/31/2099	2	2,295	1,904	7.01
Neuberger Berman CLO Ltd	NEUB 2021-46A E	Financial Services	United States	USD	SOFOR + 62.5 bps	01/20/2036	751	750	743	2.74
Neuberger Berman Loan Advisers CLO 39 Ltd	NEUB 2020-39A E	Financial Services	United States	USD	SOFOR + 720 bps	01/20/2032	580	580	583	2.15
OCP CLO Ltd	OCP 2020-20A E	Financial Services	United States	USD	SOFOR + 766 bps	10/09/2033	457	443	458	1.69
OHA Loan Funding Ltd	OAKC 2020-5A E	Financial Services	United States	USD	SOFOR + 62.5 bps	04/18/2033	745	744	741	2.73
Palmer Square CLO Ltd	PFIXD 2019-1A E	Financial Services	United States	USD	Non-Accrual	04/20/2037	983	982	830	3.06
Palmer Square European CLO 2022-2 DAC	PLMER 2022-2A D	Financial Services	Ireland	EUR	EURIBOR + 62.6 bps	01/15/2036	366	416	407	1.50
Penta CLO 5 DAC	PENTA 2018-5A DR	Financial Services	Ireland	EUR	EURIBOR + 370 bps	04/20/2035	319	319	342	1.26
Prosper Group Parent LLC	Common Stock	Energy	United Kingdom	USD	N/A	N/A	8	101	10	0.04
Prosper Group Parent LLC	Preferred Stock	Energy	United Kingdom	USD	N/A	N/A	3	18	28	0.10
Madison Park Funding Ltd	RAD 2020-7A E	Financial Services	United States	USD	SOFOR + 650 bps	04/17/2033	1,992	1,992	1,991	7.33
Regatta Funding Ltd	REG16 2019-2A E	Financial Services	United States	USD	SOFOR + 700 bps	01/15/2033	798	787	790	2.91
Regatta Funding Ltd	REG21 2021-3A E	Financial Services	United States	USD	SOFOR + 67.5 bps	10/20/2034	280	280	281	1.03
Regatta XX Funding Ltd	REG20 2021-2A E	Financial Services	United States	USD	SOFOR + 62.5 bps	10/15/2034	218	218	218	0.80
RRX Ltd	GSM 2021-III A D	Financial Services	United States	USD	SOFOR + 67.5 bps	04/15/2034	633	633	632	2.33
Sound Point Euro CLO	SNDPE 8X E	Financial Services	Ireland	EUR	EURIBOR + 65.9 bps	04/25/2035	142	159	148	0.54
Total structured products and other investments										85.70 %
Total Investments								\$ 22,428	\$ 23,279	85.70 %

See notes to financial statements.

KKR GCOF ACCESS FUND HOLDING L.P.

SCHEDULE OF INVESTMENTS

AS OF DECEMBER 31, 2023

(Stated in United States Dollars, unless otherwise noted)
(Amounts in thousands)

Counterparty	Currency	Maturity Date	Notional	Estimated Fair Value	Estimated Fair Value as a Percentage of Partners' Capital
DERIVATIVE CONTRACTS					
FOREIGN EXCHANGE FORWARD CONTRACTS					
Goldman Sachs	EUR	02/08/2024	€ 2,300	\$ 23	0.08 %
Goldman Sachs	EUR	09/16/2025	€ 4,270	20	0.07
Morgan Stanley & Co	EUR	01/20/2026	€ 400	(7)	(0.03)
Goldman Sachs	EUR	12/17/2025	€ 2,100	(18)	(0.07)
Goldman Sachs	EUR	02/08/2024	€ 8,300	(42)	(0.14)
Goldman Sachs	EUR	01/20/2026	€ 3,250	(140)	(0.51)
				<u>\$ (164)</u>	<u>(0.60) %</u>

See notes to financial statements.

(concluded)

KKR GCOF ACCESS FUND HOLDING L.P.

STATEMENT OF OPERATIONS FOR THE YEAR ENDED DECEMBER 31, 2023

(Stated in United States Dollars)

(Amounts in thousands)

INVESTMENT INCOME:	
Interest income	\$ 3,697
Dividend income (net of withholding taxes of \$7)	<u>10</u>
Total investment income	<u>3,707</u>
EXPENSES:	
Professional fees and other expenses	<u>3</u>
Total expenses	<u>3</u>
NET INVESTMENT INCOME (LOSS)	<u>3,704</u>
NET REALIZED AND UNREALIZED GAINS (LOSSES):	
Net realized gains (losses)	(79)
Net change in unrealized appreciation (depreciation)	<u>1,494</u>
Net realized and unrealized gains (losses)	<u>1,415</u>
NET INCOME (LOSS)	<u>\$ 5,119</u>

See notes to financial statements.

KKR GCOF ACCESS FUND HOLDING L.P.

STATEMENT OF CHANGES IN PARTNERS' CAPITAL FOR THE YEAR ENDED DECEMBER 31, 2023

(Stated in United States Dollars)

(Amounts in thousands)

	<u>General Partner</u>	<u>Limited Partner</u>	<u>Total</u>
PARTNERS' CAPITAL - January 1, 2023	\$ -	\$ 31,868	\$ 31,868
Capital contributions	-	4,411	4,411
Capital distributions	-	(14,236)	(14,236)
Allocation of net income (loss)			
Investment income (loss)	-	3,707	3,707
Professional fees and other expenses	-	(3)	(3)
Net realized and unrealized gains (losses)	-	1,415	1,415
Net income (loss)	-	5,119	5,119
PARTNERS' CAPITAL - December 31, 2023	<u>\$ -</u>	<u>\$ 27,162</u>	<u>\$ 27,162</u>

See notes to financial statements.

KKR GCOF ACCESS FUND HOLDING L.P.

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2023**

(Stated in United States Dollars)

(Amounts in thousands)

CASH FLOWS FROM OPERATING ACTIVITIES:

Net income (loss)	\$ 5,119
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:	
Purchases of investments	(5,166)
Proceeds from sale of investments	12,699
Net realized (gains) losses	79
Net change in unrealized (appreciation) depreciation	(1,494)
Net (accretion) amortization of (discount) premium	(59)
Change in other assets and liabilities:	
Accrued interest	(707)
Due from broker	(22)
Other assets	44
Unsettled investment purchases	(58)
Due to affiliate	(21)
	<hr/>
Net cash provided by (used in) operating activities	10,414
	<hr/>
CASH FLOWS FROM FINANCING ACTIVITIES:	
Capital contributions	4,411
Capital distributions	(14,236)
	<hr/>
Net cash provided by (used in) financing activities	(9,825)
	<hr/>
NET CHANGE IN CASH AND CASH EQUIVALENTS	589
CASH AND CASH EQUIVALENTS, Beginning of year	<hr/> 52
CASH AND CASH EQUIVALENTS, End of year	<hr/> <hr/> \$ 641

See notes to financial statements.

KKR GCOF ACCESS FUND HOLDING L.P.

NOTES TO FINANCIAL STATEMENTS

AS OF DECEMBER AND FOR THE YEAR ENDED DECEMBER 31, 2023

1. ORGANIZATION

KKR GCOF Access Fund Holding L.P. (the “Partnership” and the “Master Fund”), a Cayman Islands exempted limited partnership, was organized on September 17, 2020. The Partnership commenced operations on January 15, 2021.

KKR GCOF Access Fund Holding GP Limited (the “General Partner”), a Cayman Islands exempted limited partnership, serves as the general partner of the Partnership and in such capacity for making investment decisions on behalf of the Partnership.

At the commencement of operations, the limited partner contributed to the Partnership by way of an in-kind capital contribution from its limited partner interests in KKR GCOF Access Fund Funding L.P.

The Partnership’s investment objective is to invest and otherwise expose itself to financial instruments consistent with the Manager’s global opportunistic investment strategy; and engage in all other activities and transactions as the General Partner may deem necessary or advisable in connection therewith.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation — The Partnership is considered an investment company as defined in Accounting Standards Codification (“ASC”) Topic 946 Financial Services – Investment Companies (“ASC 946”). The accompanying financial statements are presented in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”), using the specialized guidance in ASC 946, and are stated in United States dollars.

Use of Estimates — The preparation of financial statements in conformity with U.S. GAAP requires management to make certain estimates and assumptions that could affect the amounts reported in the Partnership’s financial statements and accompanying notes. Actual results could differ from management’s estimates.

Investments — Investments are carried at estimated fair value and are accounted for on a trade-date basis. Interest is recorded on the accrual basis. Unamortized premiums and unaccreted discounts are recognized over the contractual life adjusted for actual prepayments of the investments using the effective interest method. Realized gains and losses are calculated on the specific identified cost basis.

Cash and Cash Equivalents — Cash and cash equivalents include cash on hand, cash held in banks and highly liquid investments with original maturities of three or fewer months. Interest income earned on cash and cash equivalents is recorded in other investment income in the statement of operations. As of December 31, 2023, there were \$640.7 thousand of cash and cash equivalents (2.36% of partners’ capital) of which \$622.6 thousand is cash equivalents and \$18.1 thousand is cash. Cash equivalents consisted of shares in the Goldman Sachs Money Market Fund. These cash equivalents are categorized as Level 1 assets.

Income Taxes — The Partnership is a Cayman Islands exempted limited partnership. The Cayman Islands does not impose income tax and as such the Partnership has not incurred any Cayman Islands income tax expense. The Partnership is treated as a partnership for U.S. federal income tax purposes and

is generally not subject to U.S. federal income tax at the entity level, but the Partnership may own investments that from time to time generate income that is subject to certain foreign tax withholding. U.S. federal and state income tax statutes require that the income or loss of a partnership be included in the tax returns of the individual partners.

In accordance with the authoritative guidance, the Partnership determines whether a tax position of the Partnership is more likely than not to be sustained upon examination by the applicable taxing authority, including the resolution of any related appeals or litigation processes, based on the technical merits of the position. The tax benefit to be recognized is measured as the largest amount of benefit that is greater than 50% likely of being realized upon ultimate settlement, which could result in the Partnership recording a tax liability that would reduce partners' capital. The Partnership reviews and evaluates tax positions in its major jurisdictions and determines whether or not there are uncertain tax positions that require financial statement recognition. Based on this review, the Partnership has determined the major tax jurisdictions where the Partnership is organized and where the Partnership makes investments; however, no reserves for uncertain tax positions were required to be recorded for any of the Partnership's open tax years. The Partnership is subject to examination by United States federal tax authorities for returns filed for the prior three years and by state tax authorities for returns filed for the prior four years, and taxes associated with foreign tax jurisdictions remain subject to examination based on varying statutes of limitations, if any. The Partnership is not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will change materially in the next twelve months. As a result, no other income tax liability or expense has been recorded in the accompanying financial statements.

Foreign Currency — The Partnership makes non-U.S. dollar denominated investments. As a result, the Partnership is subject to the risk of fluctuation in the exchange rate between the U.S. dollar and the foreign currency in which it makes an investment.

The books and records of the Partnership are maintained in U.S. dollars. All investments denominated in foreign currency are converted to the U.S. dollar using prevailing exchange rates at the end of the reporting period. Income, expenses, gains and losses on investments denominated in foreign currency are converted to the U.S. dollar using the prevailing exchange rates on the dates when the transactions occurred.

The Partnership does not bifurcate that portion of the results of operations resulting from changes in foreign exchange rates on investments and interest from the fluctuations arising from changes in market prices of securities held. Such fluctuations are included with the net realized and change in unrealized gains or losses from investments and derivatives, or interest income and expense, as applicable.

Allocation of Net Income or Net Loss — Income or loss is allocated to the Partnership Capital Accounts (as defined in Footnote 3) of all the partners in proportion to their respective ownership percentages.

Fair Value Measurements — Fair value is 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. Where available, fair value is based on observable market prices or parameters, or derived from such prices or parameters. Where observable prices or inputs are not available, valuation models are applied. These valuation techniques involve some level of management estimation and judgment, the degree of which is dependent on the price transparency for the instruments or market and the instruments' complexity for disclosure purposes.

Assets and liabilities recorded at fair value in the statement of financial condition are categorized based upon the level of judgment associated with the inputs used to measure their value. Hierarchical levels, as defined under U.S. GAAP, are directly related to the amount of subjectivity associated with the inputs to fair valuations of these assets and liabilities, and are as follows:

Level 1 — Inputs are unadjusted, quoted prices in active markets for identical assets or liabilities at the measurement date.

Level 2 — Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar instruments in active markets, and inputs other than quoted prices that are observable for the asset or liability.

Level 3 — Inputs are unobservable inputs for the asset or liability, structured products and other investments and include situations where there is little, if any, market activity for the asset or liability.

A significant decrease in the volume and level of activity for the asset or liability is an indication that transactions or quoted prices may not be representative of fair value because in such market conditions there may be increased instances of transactions that are not orderly. In those circumstances, further analysis of transactions or quoted prices is needed, and a significant adjustment to the transactions or quoted prices may be necessary to estimate fair value.

The availability of observable inputs can vary depending on the financial asset or liability and is affected by a wide variety of factors, including, for example, the type of product, whether the product is new, whether the product is traded on an active exchange or in the secondary market, and the current market condition. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Accordingly, the degree of judgment exercised by the Partnership in determining fair value is greatest for instruments categorized in Level 3. In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy within which the fair value measurement in its entirety falls is determined based on the lowest level input that is significant to the fair value measurement in its entirety. The Partnership's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and consideration of factors specific to the asset. The variability of the observable inputs affected by the factors described above may cause transfers between Levels 1, 2, and/or 3.

Many financial assets and liabilities have bid and ask prices that can be observed in the marketplace. Bid prices reflect the highest price that the Partnership and others are willing to pay for an asset. Ask prices represent the lowest price that the Partnership and others are willing to accept for an asset. For financial assets and liabilities whose inputs are based on bid-ask prices, the Partnership does not require that fair value always be a predetermined point in the bid-ask range. The Partnership's policy is to allow for mid-market pricing and adjusting to the point within the bid-ask range that meets the Partnership's best estimate of fair value.

Depending on the relative liquidity in the markets for certain assets, the Partnership may transfer assets to Level 3 if the Partnership determines that observable quoted prices, obtained directly or indirectly, are not available. The valuation techniques used for the assets and liabilities that are valued using Level 3 inputs of the fair value hierarchy are described below.

Certain Structured Products and Other Investments — Certain structured products and other investments are initially valued at transaction price and are subsequently valued using observable market prices, if available, or internally developed models in the absence of readily observable market prices.

Valuation models are generally based on market and income approaches (discounted cash flow and market comparables), in which various internal and external factors are considered. Factors include key financial inputs and recent public and private transactions for comparable investments. Key inputs used for the discounted cash flow approach include the weighted average cost of capital and assumed inputs used to calculate terminal values, such as EBITDA. The fair value recorded for a particular investment will generally be within the range suggested by the two approaches. Upon completion of the valuations conducted, an illiquidity discount is applied where appropriate. Many pricing models employ methodologies that have pricing inputs observed from actively quoted markets.

The Partnership carries its investments in certain limited partnership interests at fair value based on the Partnership's proportionate interest, as a practical expedient, in the net assets of those limited partnerships. The Partnership generally does not have the ability to liquidate or redeem from the limited partnerships.

Key unobservable inputs that have a significant impact on the Partnership's Level 3 valuations as described above are included in Note 7. The Partnership utilizes several unobservable pricing inputs and assumptions in determining the fair value of its Level 3 investments. These unobservable pricing inputs and assumptions may differ by asset and in the application of the Partnership's valuation methodologies. The reported fair value estimates could vary materially if the Partnership had chosen to incorporate different unobservable pricing inputs and other assumptions or, for applicable investments, if the Partnership only used either the discounted cash flow methodology or the market comparables methodology instead of assigning a weighting to both methodologies.

Foreign Exchange Forward Contracts — The Partnership's derivative instruments include foreign currency forward contracts and cross currency swaps. The Partnership recognizes all derivative instruments as assets or liabilities at fair value in its financial statements. Derivative contracts entered into by the Partnership are not designated as hedging instruments, and as a result, the Partnership presents changes in fair value through net change in unrealized appreciation (depreciation) on derivative instruments in the statements of operations. Realized gains and losses of the derivative instruments are included in net realized gains (losses) on derivative instruments in the statement of operations.

Payment-in-kind — Certain of the Partnership's investments in debt securities contain a contractual payment-in-kind ("PIK") interest provision. The PIK provisions generally feature the obligation or the option at each interest payment date of making interest payments in (i) cash, (ii) additional securities or (iii) a combination of cash and additional securities. PIK interest, computed at the contractual rate specified in the investment's credit agreement, is accrued as interest income and recorded as interest receivable up to the interest payment date. On the interest payment dates, the Partnership will capitalize the accrued interest receivable attributable to PIK as additional principal due from the borrower. When additional PIK securities are received on the interest payment date, they typically have the same terms, including maturity dates and interest rates as the original securities issued. PIK interest generally becomes due at maturity of the investment or upon the investment being called by the issuer.

If the portfolio company valuation indicates the value of the PIK investment is not sufficient to cover the contractual PIK interest, the Partnership will not accrue additional PIK interest income until received.

Valuation Policy — Investments are generally valued based on quotations from third party pricing services, unless such a quotation is unavailable or is determined to be unreliable or inadequately representing the fair value of the particular assets. In that case, valuations are based on either valuation data obtained from one or more other third party pricing sources, including broker dealers, or will reflect the valuation committee's good faith determination of estimated fair value based on other factors considered relevant.

Recent Accounting Pronouncements — In June 2022, the FASB issued ASU 2022-03, ASC Subtopic 820 “Fair Value Measurement of Equity Securities Subject to Contractual Sale Restrictions”. According to ASU 2022-03, an entity should not consider the contractual sale restriction when measuring the equity security’s fair value and an entity is not allowed to recognize a contractual sale restriction as a separate unit of account. ASU 2022-03 is effective in fiscal years beginning after December 15, 2024, with early adoption permitted. The adoption of this standard did not have a material impact to these financial statements.

3. PARTNERS’ CAPITAL

In accordance with the partnership agreement (the “Agreement”), the Partnership establishes a Capital Account (“Capital Account”) for the limited partner. The partner’s Capital Account is initially credited with such partner’s capital contribution, and subsequently adjusted to reflect withdrawals, such partner’s share of the Partnership’s liabilities, and allocation of income, deduction, gain and loss per month. Any net capital appreciation or depreciation is allocated to all partners in proportion to their opening Capital Account balances for such period.

The limited partner shall have the right to make withdrawals from its capital account at any time, provided that the limited partner may not withdraw in full from the Partnership except with the written consent of the General Partner and the secured party (if any at the time of such withdrawal) and upon such terms and conditions as may be specifically agreed upon between the General Partner and the limited partner and the secured party (at the time of such withdrawal). The provisions hereof with respect to distributions upon withdrawal are exclusive and no partner shall be entitled to claim any further or different distribution upon withdrawal. In-kind withdrawals may be made by the limited partner as may be agreed from time to time by the General Partner. Notwithstanding the foregoing, the limited partner may withdraw without the consent of the General Partner all amounts from its capital account other than \$1.

Subject to applicable law, an amount equal to the declared net investment income amount shall be withdrawn on a monthly basis (net of reserves for accrued expenses, liabilities or contingencies of the Partnership for, among other things, estimated legal, accounting, administrative and other ordinary course expenses of the Partnership) and at the election of the limited partner shall be paid to the limited partner (any such withdrawal and payment, a “Net Investment Income Payment”). The General Partner will cause such Net Investment Income Payments to be distributed on or about the 30th calendar day after the relevant calendar month end. For the year ended December 31, 2023, \$14.2 million was distributed.

4. AGREEMENTS

Administrator — International Fund Services (N.A.), LLC (the “Administrator”) provides accounting and administrative services to the Partnership and maintains the underlying accounting records. The Partnership pays the Administrator customary fees for its services.

Custodian — State Street Bank and Trust Company (the “Custodian”) serves as the Partnership’s custodian pursuant to a custody agreement. The Partnership pays the Custodian customary fees for its services.

5. FINANCIAL HIGHLIGHTS

Financial highlights for the year ended December 31, 2023, are as follows:

Total return	20.86 %
Ratios to average partners' capital	
Net investment income (loss)	13.12 %

6. DERIVATIVE CONTRACTS

The Partnership enters into derivative transactions in order to hedge against foreign currency exchange rate risks on its non-U.S. dollar denominated investment securities. Additionally, the Partnership enters into derivative transactions in order to hedge certain foreign-denominated equity tranches from the US Dollar to the corresponding local currency, such as the British Pound, for the convenience of those foreign investors. These contracts are marked-to-market by recognizing the difference between the contract forward exchange rate and the forward market exchange rate on the last day of the period as unrealized appreciation or depreciation. Realized gains or losses are recognized when forward contracts are settled, net of deferred premiums if applicable. The counterparties to the Partnership's derivative contracts are major financial institutions with which the Partnership and its affiliates may also have other financial relationships. In the event of nonperformance by the counterparties, the Partnership is potentially exposed to losses. The counterparties to the Partnership's derivative agreements have investment grade ratings and, as a result, the Partnership does not anticipate that any of the counterparties will fail to fulfill their obligations. The foreign currency forward contracts open at the end of the period are indicative of the volume of activity during the year ended December 31, 2023.

The table below summarizes the aggregate notional amount and estimated net fair value of the derivative instruments as of December 31, 2023, (amounts in thousands):

	Notional	Estimated Fair Value
Foreign exchange forward contracts	\$ 22,892	\$ (164)

The fair value of open derivative contracts is located in derivative assets and derivative liabilities in the statement of financial condition. Change in unrealized appreciation/(depreciation) of \$(0.3) million and realized gains/(losses) of \$(0.7) million from foreign exchange forward contracts are included in net realized and unrealized gains/(losses) in the statement of operations.

The Partnership enters into master netting agreements or similar agreements with all of the Partnership's derivative counterparties. Where legally enforceable, these master netting agreements give the Partnership, in the event of default by the counterparty, the right to settle its derivatives by offsetting receivables and payables with the same counterparty. The fair value of derivative assets and liabilities are reported gross on the statement of financial condition. There was no collateral posted for the foreign currency hedges.

As of December 31, 2023, the net amount of derivative (Assets/Liabilities) due are as follows (amounts in thousands):

	<u>Due from/(to)</u>
Goldman Sachs	\$ (157)
Morgan Stanley & Co	(7)
Total	<u>\$ (164)</u>

7. FAIR VALUE MEASUREMENTS

The following table presents information about the Partnership's investments measured at fair value on a recurring basis as of December 31, 2023, and indicates the fair value hierarchy of the inputs utilized by the Partnership to determine such fair value (amounts in thousands):

	<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>	<u>Balance as of December 31, 2023</u>
ASSETS				
Investments:				
Structured products and other investments	\$ -	\$ -	\$ 23,279	\$ 23,279
Money market fund	623	-	-	623
Derivative assets	-	43	-	43
Total Assets	<u>\$ 623</u>	<u>\$ 43</u>	<u>\$ 23,279</u>	<u>\$ 23,945</u>
LIABILITIES				
Investments:				
Derivative liabilities	\$ -	\$ 207	\$ -	\$ 207
Total Liabilities	<u>\$ -</u>	<u>\$ 207</u>	<u>\$ -</u>	<u>\$ 207</u>

The following table presents additional information about investments that are measured at fair value on a recurring basis for which the Partnership has utilized Level 3 inputs to determine fair value as of December 31, 2023 (amounts in thousands):

	<u>Fair Value Measurements Using Significant Unobservable Inputs (Level 3)</u>
	<u>Structured products and other investments</u>
Purchases	\$ 5,166

There were no transfers into or out of Level 3 for the year ended December 31, 2023.

The following table presents additional information about valuation techniques and inputs used for investments that are measured at fair value and categorized within Level 3 as of December 31, 2023 (fair value amounts in thousands):

	Fair Value as of December 31, 2023	Valuation Techniques (1)	Unobservable Inputs (2)	Range
Structured products and other investments	\$ 23,279	Market comparables	LTM EBITDA multiple	5.3x - 11.0x
			NTM EBITDA multiple	5.8x - 10.5x
		Yield analysis	Discount margin	0.8% - 8.8%
			Yield	21.0% - 21.0%
			Net leverage	8.6% - 8.6%
			EBITDA multiple	12.5x - 12.5x
		Discounted cash flow	Probability of default	2.0% - 2.0%
			Loss severity	40.0% - 40.0%
			Constant prepayment rate	20.0% - 20.0%
			WACC	11.8% - 11.8%

(1) For the assets that have more than one valuation technique, the Partnership may rely on the techniques individually or in aggregate based on a weight ascribed to each one ranging up to 100%. When determining the weighting ascribed to each valuation methodology, the Partnership considers, among other factors, the availability of direct market comparable, the applicability of a discounted cash flow analysis and the expected hold period and manner of realization for the investment. These factors can result in different weightings among the investments and in certain instances, may result in up to a 100% weighting to a single methodology.

(2) The significant unobservable inputs used in the fair value measurement of the Partnership's assets and liabilities may include the last twelve months ("LTM") EBITDA multiple, weighted average cost of capital, discount margin, probability of default, loss severity and constant prepayment rate. In determining certain of these inputs, management evaluates a variety of factors including economic, industry and market trends and developments; market valuations of comparable companies; and company specific developments including potential exit strategies and realization opportunities. Significant increases or decreases in any of these inputs in isolation could result in significantly lower or higher fair value measurement.

8. CONCENTRATION OF RISK

In the ordinary course of business, the Partnership manages a variety of risks, including market risk and credit risk. Market conditions such as interest rates, availability of credit, inflation rates, foreign exchange rates, economic uncertainty, changes in law, and trade barriers may affect the level and volatility of the prices of financial instruments and the liquidity of the Partnership's investments. Market risk is a risk of potential adverse changes to the value of financial instruments because of changes in market conditions such as interest and currency rate movements and volatility in commodity or security prices. The Partnership is also subject to credit and counterparty risks when entering into transactions, including securities, loans, derivatives and over-the-counter transactions.

9. COMMITMENTS AND CONTINGENCIES

In the normal course of business, the General Partner, on behalf of the Partnership, enters into certain contracts that contain a variety of indemnifications. The Partnership's maximum exposure under these arrangements is unknown as this would involve future claims that may be made that have not yet occurred. Currently, no such claims exist or are expected to arise and, accordingly, the Partnership has not accrued any liability in connection with such indemnifications.

10. SUBSEQUENT EVENTS

The Partnership evaluated all subsequent events through March 28, 2024, the date the financial statements were available to be issued, and determined that no additional disclosures were necessary.

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