THE CONTENT OF THIS PROMOTION HAS NOT BEEN APPROVED BY AN AUTHORISED PERSON WITHIN THE MEANING OF THE FINANCIAL SERVICES AND MARKETS ACT 2000. RELIANCE ON THIS PROMOTION FOR THE PURPOSE OF ENGAGING IN ANY INVESTMENT ACTIVITY MAY EXPOSE AN INDIVIDUAL TO A SIGNIFICANT RISK OF LOSING ALL OF THE PROPERTY OR OTHER ASSETS INVESTED.

KKR-INCOME TRUST SCA SICAV-RAIF – KKR-INCOME TRUST I

an open-ended sub-fund of

KKR-INCOME TRUST SCA SICAV-RAIF
a partnership limited by shares (*société en commandite par actions*) qualifying as an umbrella investment company with variable capital – reserved alternative investment fund (*société d'investissement à capital variable – fonds d'investissement alternatif réservé à compartiments multiples*)

Confidential Private Placement Memorandum

May 17, 2024

APPLICATIONS FOR SUBSCRIPTION ARE RESERVED TO QUALIFIED INVESTORS WHO, ON THE BASIS OF THIS CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM, THE ARTICLES OF ASSOCATION AND THE APPLICATION FORM, HAVE MADE THEIR OWN ASSESSMENT OF THE CONDITIONS OF THEIR PARTICIPATION IN THE FUND AND ITS SUB-FUNDS. ACCORDINGLY, IT IS THE RESPONSIBILITY OF PARTICIPATING INVESTORS TO DETERMINE WHETHER THEIR RIGHTS AND OBLIGATIONS AS INVESTORS ARE SUITABLE FOR THEM.

THE ATTENTION OF (PROSPECTIVE) INVESTORS IS DRAWN TO THE FACT THAT KKR-INCOME TRUST SCA SICAV-RAIF (THE "**FUND**") IS AN ALTERNATIVE INVESTMENT FUND WHICH OFFERS INVESTORS A CHOICE OF ONE OR MORE SUB-FUNDS. THE FUND IS ORGANISED AS A RESERVED ALTERNATIVE INVESTMENT FUND (*FONDS D'INVESTISSEMENT ALTERNATIF RÉSERVÉ*) GOVERNED BY THE LUXEMBOURG LAW OF JULY 23, 2016 ON RESERVED ALTERNATIVE INVESTMENT FUNDS, AS AMENDED AND, ACCORDINGLY, IS NOT SUBJECT TO SUPERVISION BY ANY LUXEMBOURG SUPERVISORY AUTHORITY. AS OF THE DATE OF THIS CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM (AS MAY BE AMENDED, RESTATED AND/OR SUPPLEMENTED FROM TIME TO TIME, THIS "**MEMORANDUM**"), THE FUND HAS ONE SUB-FUND, KKR-INCOME TRUST I ("**KIT**" OR THE "**SUB-FUND**"), COMPRISING SEVERAL CLASSES (A "**CLASS**" OR "**CLASSES**") OF SHARES. THIS MEMORANDUM RELATES TO KIT ONLY. SHARES IN THE FUND ARE RESERVED FOR QUALIFIED INVESTORS AND THE FUND WILL NOT ACCEPT ANY SUBSCRIPTION FROM, OR ANY TRANSFER TO, ANY PERSON THAT IS NOT A QUALIFIED INVESTOR.

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Important Information

This Confidential Private Placement Memorandum (as amended, restated and/or supplemented from time to time, this "**Memorandum**") is being furnished by Kohlberg Kravis Roberts & Co. L.P. (together with its Affiliates, "**KKR**," the "**Firm**" or "**we**") and KKR Alternative Investment Management Unlimited Company[1] (the "**AIFM**") on a confidential basis to a number of Qualified Investors (as defined herein) for the purpose of providing certain information about an investment in Shares (as defined herein) in KKR-Income Trust I (the "**Sub-Fund**" or "**KIT**"), a sub-fund of KKR-Income Trust SCA SICAV-RAIF, a Luxembourg partnership limited by shares (*société en commandite par actions*) qualifying as an umbrella investment company with variable capital – reserved alternative investment fund (*société d'investissement à capital variable – fonds d'investissement alternatif réservé à compartiments multiples*) (the "**Fund**"). Unless otherwise defined, capitalized terms used throughout this Memorandum have the meanings ascribed to such terms in Section XIV, "*Definitions*" of this Memorandum.

This Memorandum has been prepared solely for the consideration of prospective Qualified Investors in the Sub-Fund and is circulated to a limited number of Qualified Investors on a confidential basis solely for the purpose of evaluating an investment in the Sub-Fund. Each prospective investor to whom this Memorandum has been delivered agrees to treat the information contained herein in a confidential manner. Such information may neither be reproduced or used in whole or in part for any purpose other than consideration of an investment in the Shares nor be disclosed without the prior written consent of the AIFM to anyone other than representatives of the offeree directly concerned with the decision regarding such investment who have agreed to abide by the foregoing restrictions. Each prospective investor, by accepting this Memorandum, thereby agrees to return it promptly upon request.

Notwithstanding anything in this Memorandum to the contrary, each recipient of this Memorandum (and any employee, representative or other agent thereof) may disclose to any and all persons, without limitation of any kind, the U.S. federal income tax treatment and tax structure of KIT, or any transactions undertaken by KIT, it being understood and agreed for this purpose that (i) the name of, or any other identifying information regarding KIT or any existing or future investor (or any Affiliate thereof) in KIT or any investment or transaction entered into by KIT; (ii) any performance information relating to KIT or its investments; or (iii) any performance or other information relating to previous funds or investments sponsored by KKR, the AIFM, KKR Credit Advisors (Ireland) Unlimited Company (the "**Investment Manager**")[2] or their respective Affiliates, does not constitute such tax treatment or tax structure information.

The Fund has been constituted as a Luxembourg partnership limited by shares (*société en commandite par actions*) qualifying as an umbrella investment company with variable share capital – reserved alternative investment fund (*société d'investissement à capital variable – fonds d'investissement alternatif réservé à compartiments multiples*) governed by the Luxembourg law of July 23, 2016 on reserved alternative investment funds, as amended (the "**RAIF Law**"), and the Luxembourg law of August 10, 1915 on commercial companies, as amended (the "**1915 Law**"). The Fund is managed by an authorised external alternative investment fund manager in accordance with AIFMD (as defined herein) requirements. The Fund is however not subject to any direct product supervision by any Luxembourg or foreign supervisory authority.

The Fund has been structured as an umbrella fund with one or more sub-funds. This Memorandum relates to KIT only. Additional sub-funds (in addition to KIT) may be established from time to time, in which case this Memorandum will be updated accordingly or such sub-funds will be described in one or more additional private placement memoranda.

The Shares have not been registered under the U.S. Securities Act of 1933, as amended (the "**1933 Act**"), the securities laws of any state of the United States or the securities laws of any other jurisdiction, and no such registration is contemplated. The Shares will be offered and sold outside of the United States to investors who are not "**U.S. persons**" as defined in Regulation S as promulgated under the 1933 Act. The Shares may not be offered, sold, transferred or otherwise delivered directly or indirectly in the United States or to or for the account of any U.S. person, except pursuant to an exemption from, or in a

[1] The AIFM operates under the registered business name "KKR Alternative Investment Management."
[2] This Investment Manager operates under the registered business name "KKR Credit Advisors (Ireland)."

transaction not subject to, the registration requirements of the 1933 Act and any applicable U.S. state laws. Any re-offer or resale of Shares in the United States or to U.S. persons may constitute a violation of law.

The Fund will not be registered as an investment company under the U.S. Investment Company Act of 1940, as amended (the "**1940 Act**"). KKR is registered as an investment adviser under the U.S. Investment Advisers Act of 1940, as amended (the "**Advisers Act**"). The Investment Manager is regulated under the Advisers Act as a "relying adviser" of KKR Credit Advisors (US) LLC ("**KKR Credit Advisors (US)**"), which is registered as an investment adviser under the Advisers Act. The general partner of the Fund (the "**General Partner**") has not been separately registered as an investment adviser with the U.S. Securities and Exchange Commission (the "**SEC**") under the Advisers Act. The AIFM has been authorised by the Central Bank of Ireland as an alternative investment fund manager under the European Union (Alternative Investment Fund Managers) Regulations 2013 of Ireland. While management of the Fund will be the ultimate responsibility of the General Partner, the General Partner will appoint the AIFM as the alternative investment fund manager of the Fund. The AIFM will be responsible for managing the Fund in accordance with the AIFMD. The AIFM will rely on and delegate certain powers and obligations to the Investment Manager, including in particular certain portfolio management activities.

There is no public market for the Shares, and no such market is expected to develop in the future. The Shares may not be sold or transferred without the consent of the General Partner (which may be withheld in its sole discretion) and unless they are registered under the 1933 Act or an exemption from registration is available thereunder and under any other applicable securities law registration requirements.

The distribution of this Memorandum and the offer and sale of the Shares in certain jurisdictions may be restricted by law. This Memorandum does not constitute an offer to sell or the solicitation of an offer to buy any Shares in any jurisdiction where, or to or from any person to or from whom, such offer or solicitation is unlawful or not authorised. The Shares are offered subject to the right of the General Partner to reject, on behalf of the Fund, any subscription in whole or in part. The Shares have not been approved or disapproved by any federal, state or other securities commission or regulatory authority, nor has any such commission or regulatory authority passed upon the accuracy or adequacy of this Memorandum. Any representation to the contrary is a criminal offense.

In making an investment decision, prospective investors must rely on their own examination of the Fund and the terms of the Shares, including the merits and risks involved. Prospective investors should not construe the contents of this Memorandum as legal, tax, investment or accounting advice, and each prospective investor is urged to consult with its own advisors with respect to the legal, tax, regulatory, financial and accounting consequences of its investment in the Shares. Prospective investors should inform themselves as to the legal requirements and tax consequences within the countries of their citizenship, residence, domicile and place of business with respect to the acquisition, holding or disposal of the Shares and any currency risks that may be relevant thereto.

Investment in the Shares will involve potential conflicts of interest and a high degree of risk (including the possible loss of a substantial part, or even the entire amount, of such investment) due to, among other things, the nature of KIT's investments and investment strategy, which prospective investors should carefully consider before investing in the Shares.

Prospective investors should pay particular attention to the information in Section XII, "*Risk Factors*," Section XIII, "*Potential Conflicts of Interest*," and Section X, "*Regulatory and Tax Considerations*," of this Memorandum. An investment in KIT is suitable only for sophisticated investors and requires the financial ability and willingness to accept the high risks and lack of liquidity inherent in an investment in KIT. Each Shareholder (as defined herein) must be prepared to bear such risks for an extended period of time. No assurance can be given that the investment objectives of KIT will be achieved or that investors will receive a return of their capital.

Each of the Investment Manager and its appointed sub-advisors, if any, will be exempt from registration with the U.S. Commodity Futures Trading Commission (the "**CFTC**") as a commodity trading advisor ("**CTA**") pursuant to Section 4m(3) of the U.S. Commodity Exchange Act, as amended ("**CEA**"), with respect to advice that it provides to the Fund and KIT or another available exemption, and, as such, will not be required to satisfy certain disclosure and other requirements under the CFTC rules. Each of the

Investment Manager and its appointed sub-advisors, if any, that rely on the exemption pursuant to Section 4m(3) of the CEA, presently qualify for the exemption on the basis that it is registered with the SEC as an investment adviser, its business does not consist primarily of acting as a CTA and it does not act as a CTA to any commodity pool that is engaged primarily in trading commodity interests.

Certain information contained in this Memorandum constitutes "forward-looking statements," which can be identified by the use of forward-looking terminology such as "may," "will," "should," "seek," "expect," "anticipate," "project," "estimate," "intend," "continue," "target," "plan," "believe," the negatives thereof, other variations thereon or comparable terminology. Due to various risks and uncertainties, including those set forth in Section XII, "*Risk Factors*," Section XIII, "*Potential Conflicts of Interest*," and Section X, "*Regulatory and Tax Considerations*" of this Memorandum, actual events or results or the actual performance of KIT may differ materially and adversely from those reflected or contemplated in such forward-looking statements. Any information contained herein relating to KIT's targets, intentions or expectations, including with respect to the structure and terms of investments and the size and type of individual investments, is subject to change, and no assurance can be given that such targets, intentions or expectations will be met.

Certain information contained herein that relates to macroeconomic trends is based in part on views of KKR Credit. This information is not research and should not be treated as research and is included in order to provide a framework to assist in the implementation of an investor's own analysis and an investor's own views on the topic discussed. Historical market trends are not reliable indicators of actual future market behaviour or future performance of any particular investment, which may differ materially, and should not be relied upon as such.

This Memorandum does not constitute an offer to sell, or a solicitation of an offer to purchase, any security of any other investment fund managed or offered by KKR (including KKR Credit[3]) referred to herein.

In this Memorandum, references to "**KKR Capstone**" or "**Capstone**" are to all or any of KKR Capstone Americas LLC, KKR Capstone EMEA LLP, KKR Capstone EMEA (International) LLP, KKR Capstone Asia Limited and their Capstone-branded subsidiaries, which employ operating professionals dedicated to supporting KKR deal teams and KKR portfolio companies. KKR acquired KKR Capstone effective January 1, 2020. References to operating executives, operating experts, or operating consultants are to such employees of KKR Capstone. In this Memorandum, any views and other statements regarding the impact of initiatives in which KKR Capstone has been involved are based on KKR Capstone's internal analysis and information provided by the applicable Portfolio Company or other issuer. Any such views and statements are based on estimates regarding the impact of such initiatives that have not been verified by a third party and are not based on any established standards or protocols. They can also reflect the influence of external factors, such as macroeconomic or industry trends, that are unrelated to the initiative presented. Certain employees of KKR located in the U.S. are dual employees of KKR Capital Markets LLC ("**KKR Capital Markets**" or "**KCM**").

In this Memorandum, references to "**Senior Advisors**", "**Executive Advisors**" and "**Industry Advisors**" refer to certain third-party consultants who provide, among other things, additional operational and strategic insights into KKR's investments. While they are not employees of KKR, Senior Advisors, Executive Advisors and Industry Advisors are permitted to serve on the boards of KKR portfolio companies, assist KKR in evaluating individual investment opportunities and support the operations of KKR portfolio companies. Fees and expenses of Senior Advisors, Executive Advisors and Industry Advisors could be allocated to KIT to the extent such services relate to KIT's investment strategy or to investments or potential investments of KIT, and such fees will not be credited against KIT's management fees or incentive fees payable by KIT. References to "**KKR Advisors**" are to individuals who were formerly employees of KKR and are engaged as consultants for KKR. Compensation of KKR Advisors will not be borne by KIT; however, KKR Advisors are permitted to serve on the boards of portfolio companies and any fees paid to KKR Advisors by portfolio companies will not be credited

[3] "KKR Credit" conducts its business through KKR Credit Advisors (US) LLC, an SEC-registered investment adviser, KKR Credit Advisors (Ireland) Unlimited Company, which is authorised and regulated by the Central Bank of Ireland, KKR Credit Advisors (EMEA) LLP, which is authorised and regulated by the United Kingdom Financial Conduct Authority and KKR Credit Advisors (Singapore) Pte Ltd., which is registered with the SEC and authorised and regulated by the Monetary Authority of Singapore.

against KIT's management fees or incentive fees. Participation of KKR private markets personnel, KKR Capital Markets and KKR Capstone personnel, Senior Advisors, Executive Advisors, Industry Advisors in KKR Credit's investment activities is subject to applicable law and inside information barrier policies and procedures, which can limit the involvement of such personnel in certain circumstances and the ability of KKR Credit to leverage such integration with KKR. Discussions with Senior Advisors, Executive Advisors, Industry Advisors, KKR Advisors and employees of KKR's managed portfolio companies are also subject to inside information barrier policies and procedures, which could restrict or limit discussions and/or collaborations with KKR Credit.

In this Memorandum, references to "assets under management" or "AUM" represent the assets under management that are reported by KKR & Co. Inc. (NYSE: KKR) as a public company. This definition of AUM includes assets managed or advised by KKR from which KKR is entitled to receive a fee or carried interest from fund investors and other investment vehicles, capital committed by KKR as a general partner to its funds and a *pro rata* portion of the AUM of certain third party managers based on KKR's ownership percentage in them. KKR's definition of AUM is not based on any definition of AUM that may be set forth in the agreements governing the investment funds, vehicles or accounts that KKR manages or calculated pursuant to any regulatory definitions.

Investment in the Shares will be subject to the provisions of the Articles of Association of the Fund, as amended from time to time (the "**Articles**"), a copy of which will be furnished to prospective investors upon request, as well as this Memorandum. KKR reserves the right, subject to the terms of this Memorandum, to modify any of the terms of the offering and the Shares described herein and to revise and reissue this Memorandum. This Memorandum contains a summary of certain documents referred to herein. However, summaries set forth in this Memorandum do not purport to be complete and are subject to and qualified in their entirety by reference to the Articles and such other documents. In the event that the descriptions in or terms of this Memorandum are inconsistent with or contrary to the descriptions in or terms of such other documents, such other documents shall control.

The text of the Articles is integral to the understanding of this Memorandum. Potential investors should review the Articles carefully. In the event of any inconsistency between this Memorandum and the Articles, the Articles will prevail.

No person has been authorised in connection with this offering to give any information or make any representations other than as contained in this Memorandum, and any representation or information not contained herein must not be relied upon as having been authorised by the Fund, the General Partner, the Investment Manager or the AIFM. Unless otherwise indicated, statements in this Memorandum are made as of May 17, 2024. Neither the delivery of this Memorandum at any time nor any sale of the Shares hereunder shall under any circumstances create an implication that the information contained herein is correct as of any time subsequent to such date or any other date as of which information included in this Memorandum is provided. None of the individual members of the KKR Credit investment teams or any employees or directors of KKR (including KKR Credit) referred to herein hold themselves out to any person for any purpose as a general partner. Statements contained herein that are attributable to KIT's investment team, the General Partner, the AIFM, the Fund, KIT, the Investment Manager or KKR (including KKR Credit) are not made in any person's individual capacity, but, rather, on behalf of the General Partner, the AIFM and the Investment Manager, which manage and implement the investment program of KIT.

As used in this Memorandum, "U.S. dollars" and "$" refer to United States dollars and "AUD" refers to the Australian dollar, in each case, except where stated otherwise.

UNLESS OTHERWISE INDICATED IN RELATION TO SPECIFIC JURISDICTIONS THE SHARES WILL BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO PROFESSIONAL INVESTORS IN THE EUROPEAN ECONOMIC AREA (THE "**EEA**"). PLEASE SEE APPENDIX I (*NOTICE TO SHAREHOLDERS*) FOR FURTHER DETAILS. A KEY INFORMATION DOCUMENT REQUIRED BY REGULATION (EU) NO. 1286/2014 (THE "**PRIIPS REGULATION**") FOR OFFERING OR SELLING THE SHARES OR OTHERWISE MAKING THEM AVAILABLE TO RETAIL INVESTORS HAS BEEN PREPARED AND SHALL BE PROVIDED TO SUCH RETAIL INVESTORS BY THE PERSON OFFERING, SELLING, ADVISING ON OR OTHERWISE MAKING AVAILABLE IN ACCORDANCE WITH THE REQUIREMENTS OF THE PRIIPS REGULATION. THIS MEMORANDUM IS NOT AN APPROVED PROSPECTUS FOR THE PURPOSES OF THE

PROSPECTUS REGULATION, AS AMENDED, AND RELATED EUROPEAN UNION AND NATIONAL LEGISLATION.

PROSPECTIVE SHAREHOLDERS SHOULD REVIEW APPENDIX 1, "NOTICE TO SHAREHOLDERS," FOR CERTAIN INFORMATION RELATING TO OFFERS AND SALES OF SHARES IN THE FUND AND KIT TO SHAREHOLDERS IN SPECIFIC JURISDICTIONS.

FOR THE AVOIDANCE OF DOUBT, SHARES OF KKR FS INCOME TRUST ("**K-FIT**", AND SUCH SHARES, THE "**K-FIT SHARES**") ARE NOT BEING OFFERED TO RECIPIENTS OF THIS MEMORANDUM AND SUCH PERSONS WILL NOT BE ABLE TO SUBSCRIBE FOR THE K-FIT SHARES UNLESS THE REQUIRED CONDITIONS SET FORTH IN THE RELEVANT LAWS AND REGULATIONS HAVE BEEN MET. ANY REFERENCES TO K-FIT OR K-FIT SHARES ARE HEREIN INCLUDED EXCLUSIVELY FOR INFORMATION PURPOSES, TO PROVIDE ADEQUATE DISCLOSURE ON THE INVESTMENT STRATEGY OF THE FUND, AS WELL AS THE RISKS AND CONFLICTS OF INTEREST IN RELATION THERETO, AND SHALL NOT BE CONSTRUED AS AN OFFER OF K-FIT OR K-FIT SHARES TO RECIPIENTS OF THIS MEMORANDUM.

I. SUMMARY OF PRINCIPAL TERMS

The following information is presented as a summary of principal terms and is qualified in its entirety by reference to the articles of association of KKR-Income Trust SCA SICAV-RAIF (as amended, restated or otherwise modified from time to time, the "**Articles**"), the remainder of this Memorandum, the Application Form, the AIFM Agreement, the Delegate Management Agreement and related documentation with respect thereto (collectively, the "**Documents**"), copies of which will be provided to each prospective investor upon request. The forms of such Documents should be reviewed carefully. In the event of a conflict between the terms of this summary and the Documents, the Documents will prevail. Capitalized terms not otherwise defined herein have the meaning set forth in Section XIV, "*Definitions*" of this Memorandum.

The Fund:

KKR-Income Trust SCA SICAV-RAIF (the "**Fund**") is a newly organized Luxembourg company in the form of a partnership limited by shares (*société en commandite par actions*) qualifying as an umbrella investment company with variable capital – reserved alternative investment fund (*société d'investissement à capital variable – fonds d'investissement alternatif réservé à compartiments multiples*) pursuant to the 1915 Law and the RAIF Law as well as an alternative investment fund under the Luxembourg law of 12 July 2013 on alternative investment fund managers, as amended (the "**2013 Law**"), but is not subject to any product supervision by the Luxembourg financial sector regulator, the *Commission de Surveillance du Secteur Financier* (the "**CSSF**"), having 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 B271883. The Fund is comprised of such sub-funds as have been established from time to time. The Fund is an umbrella fund with segregated liability between its sub-funds and, accordingly, as a matter of Luxembourg law, any liability incurred on behalf of or attributable to any sub-fund will be discharged solely out of the assets of that sub-fund. The assets of each sub-fund will be invested separately on behalf of each sub-fund in accordance with the investment objective and policies of each sub-fund. The Fund has to date established one sub-fund, KKR-Income Trust I ("**KIT**" or the "**Sub-Fund**"). This Memorandum relates solely to KIT. Additional sub-funds may be established from time to time, in which case this Memorandum will be updated accordingly or such sub-funds will be described in one or more additional private placement memoranda issued by the Fund. For the purposes of this Memorandum, references to "KIT" or the "Sub-Fund" shall refer to the Fund acting for the benefit of KIT.

KIT:

KIT is an open-ended, commingled sub-fund of the Fund established with the objective of generating current income and, to a lesser extent, long-term capital appreciation through private credit investments in Direct Lending and Asset-Based Finance strategies as described in Section II, "*Investment Information*". KKR believes that KIT offers an innovative fund structure that can provide access to investors to KKR's industry-leading private credit platform and a diversified portfolio of private credit securities with a wide variety of collateral types.

KIT will seek to achieve its investment objective through direct investments and indirectly through certain other KKR-managed funds, including initially KKR FS Income Trust ("**K-FIT**"), a regulated business development company (a "**BDC**") under the U.S. Investment Company Act of 1940, as amended (the "**1940 Act**"). K-FIT is managed by FS/KKR Advisors, LLC (the "**K-FIT Manager**"), an adviser registered with the U.S. Securities and Exchange Commission (the "**SEC**") under the U.S. Investment Advisers Act of 1940, as amended (the "**Advisers Act**"), that is jointly operated by KKR Credit Advisors

(US) and by FSJV Holdco, LLC, an Affiliate of Franklin Square Holdings, L.P. ("**FS Investments**").

*Any summary information regarding K-FIT included in this Memorandum is qualified in its entirety by the Confidential Private Placement Memorandum of K-FIT (as amended and/or supplemented, the "**K-FIT PPM**"), which is available to investors on request for information purposes in connection with their investment in KIT and which investors are encouraged to review prior to such investment.*

There is no guarantee that KIT will achieve its investment objectives. Please refer to Section XII, "*Risk Factors*" and Section XIII, "*Potential Conflicts of Interest*" of this Memorandum for additional details on the risks and conflicts of interest associated with an investment in KIT, including certain risks and conflicts of interest associated with respect to KIT's investment in K-FIT.

All investments by KIT, including direct investments and investments in K-FIT will be made through an Ontario limited partnership (the "**KIT Aggregator**") established by the General Partner and its Affiliates for the purposes of holding the investments in KIT and any Parallel Vehicles (*See sub-section* "KIT Aggregator; Parallel Vehicles" in *Section II, "Investment Information"* below).

The General Partner: The general partner of the Fund (the "**General Partner**") is KKR-Income Trust Associates SCSp, a Luxembourg special limited partnership (*société en commandite spéciale*) incorporated and governed by the 1915 Law, having its registered office at 2, rue Edward Steichen, L-2540 Luxembourg, Grand Duchy of Luxembourg and registered with the RCS under number B271512, the general partner of which is KKR-Income Trust GP S.à r.l., a Luxembourg limited liability company (s*ociété à responsabilité limitée*) incorporated and governed by the 1915 Law, having its registered office at 2, rue Edward Steichen, L-2540 Luxembourg, Grand Duchy of Luxembourg and registered with the RCS under number B271488, controlled by a board of managers appointed by its sole shareholder, KKR-Income Holdings LLC, a Delaware limited liability company and an Affiliate of Kohlberg Kravis Roberts & Co. L.P. (together with its Affiliates, including KKR Credit Advisors (Ireland) (as defined below), "**KKR**"). The management of the Fund and KIT is the ultimate responsibility of the General Partner. The duties of the General Partner include, among others, the appointment of the AIFM (as defined below) to act as the alternative investment fund manager of the Fund and the supervision of its activities, the convening and organization of meetings of shareholders, the execution of Application Forms with potential investors in each sub-fund, as applicable, the appointment of the Administrator (as defined below) and the domiciliation agent and, jointly with the AIFM, the appointment of the Depositary (as defined below). For the purposes of this Memorandum, references to KIT shall include the General Partner acting on behalf and/or with respect to KIT where the context so requires and references to the General Partner shall, where the context requires, be deemed to refer to the AIFM acting in its capacity as alternative investment fund manager responsible for the investment management, valuation and other functions as required under the AIFMD.

AIFM: KKR Alternative Investment Management Unlimited Company, an Irish unlimited company, performs, subject to the overall supervision of the General Partner, the alternative investment fund management function, including the portfolio management, risk management, oversight, valuation and certain other functions, in each case relating to the Fund

and the Sub-Fund.

Investment Manager: The AIFM will delegate its portfolio management activities in respect of KIT to KKR Credit Advisors (Ireland) Unlimited Company ("**KKR Credit Advisors (Ireland)**" and, in such capacity, the "**Investment Manager**"), and is otherwise permitted to appoint sub-advisors in respect of the Fund and KIT, including Affiliates located outside of Ireland. In addition, the Investment Manager or another Affiliate of the AIFM or the Investment Manager could be retained to act as manager of one or more of any subsidiaries through which KIT holds portfolio investments or otherwise conducts its investment activities.

Parallel Vehicles: If it considers it appropriate for any legal, tax, regulatory, accounting, compliance, structuring or other considerations of KIT or of certain current or prospective Shareholders, the Investment Manager, or any of its Affiliates, may, in its sole discretion, establish one or more parallel vehicles to invest alongside KIT in the KIT Aggregator.

Leverage: KIT and the General Partner, on its own behalf and on behalf of KIT, will have the right to (and generally expect to) borrow, provide credit support or guarantee loans or other extensions of credit for investments and other related purposes, including, without limitation, by entering into one or more revolving credit facilities or any other debt or leverage facility or facilities or other loans or extensions of credit provided by one or more lenders, including KKR, the Investment Manager and their respective Affiliates.

KIT will generally not incur any borrowings or provide guarantees (other than in respect of its hedging activities) that would result in the Leverage Ratio (as defined in Section II, "*Investment Information*") to be in excess of 90%.

Management Fees: 1.25% per annum of the Net Asset Value (as defined below) of each Class other than Class E and Class F accruing monthly and payable quarterly in arrears and based on the average Net Asset Value of each such Class for each month in the relevant calendar quarter and reduced on a dollar-for-dollar basis by management fees accruing to the K-FIT Manager in respect of each such month to the extent allocable to KIT's interest in K-FIT (to the extent allocable to the relevant Class).

The AIFM has agreed to waive the Management Fee through March 31, 2025, or such later date as may be determined by the General Partner and notified to Shareholders.

Incentive Fees: A quarterly Incentive Fee comprising of two components is payable out of the assets of KIT in respect of each Class other than Class E and Class F as follows:

Incentive Fee on Income: Accruing monthly and payable quarterly in arrears in respect of KIT's Look-Through Pre-Incentive Fee Net Investment Income (which is based on KIT's pre-incentive fee net investment income, taking into account, on a "look-through basis," K-FIT net investment income and related incentive fees) for the relevant calendar quarter subject to a Hurdle Rate equal to 1.25% (5.0% annualized) for such quarter as follows:

- No fee will be payable in respect of such quarter if KIT's Look-Through Pre-Incentive Fee Net Investment Income does not exceed the Hurdle Rate;
- A "catch-up" fee equal to 100% of KIT's Look-Through Pre-

Incentive Fee Net Investment Income, if any, that exceeds the Hurdle Rate but is less than or equal to 1.43% (5.72% annualized) will be payable; and

- A fee equal to 12.5% of KIT's Look-Through Pre-Incentive Fee Net Investment Income, if any, that exceeds 1.43% (5.72% annualized) will be payable (i.e., 12.5% of KIT's Look-Through Pre-Incentive Fee Net Investment Income thereafter will be paid to the Investment Manager).

Any Incentive Fee on Income payable for the relevant calendar quarter will be reduced on a dollar-for-dollar basis by any incentive fee on income accruing to the K-FIT Manager (and such reductions shall be rolled forward to the following calendar quarter(s) and shall reduce the Incentive Fee on Income for such calendar quarter(s) to the extent not fully applied in any given quarter).

Incentive Fee on Capital Gains: Accruing monthly and payable annually in arrears in respect of each Class other than Class E and Class F equal to 12.5% of KIT's Incentive Fee on Capital Gains for the relevant year allocable to the relevant Class.

The Investment Manager has agreed to waive the Incentive Fee on Income through March 31, 2025, or such later date as may be determined by the General Partner and notified to Shareholders.

Please refer to Section VIII, "*Fees and Expenses; Accounting; Reporting; Shareholder Matters*" for further details regarding the calculation of the Management Fee and the Incentive Fees.

Subscriptions:

Subscriptions for Ordinary Shares of KIT ("**Shares**") will be accepted as of the first calendar day of each month. Shares will be issued at the Net Asset Value per Share for each Class, as applicable, as of the end of the immediately preceding month. Subscriptions must be received by 5 p.m. Central European Time at least six Business Days prior to the first calendar day of the month (unless waived by the General Partner). Generally, a new series of Shares will be issued on each date that Shares of any Class are purchased (unless otherwise decided by the General Partner in accordance with Section IV, "*Subscriptions*," sub-section "*Initial Offering Period and Issue Price*," of this Memorandum).

"**Business Day**" means any day on which banks in Luxembourg, London, New York and Paris are normally open for business.

Minimum Subscription Amount:

$100,000 or its currency equivalent in respect of any Class denominated in a currency other than U.S. dollars, subject to any higher minimum subscription amounts that may be applicable to investors in any jurisdiction pursuant to local law.

Subscription Fees:

Certain financial intermediaries through which a Shareholder is placed in KIT may charge such Shareholder upfront selling commissions, placement fees, subscription fees or similar fees ("**Subscription Fees**") on Shares sold in the offering.

Distributions:

The General Partner expects KIT to pay regular monthly distributions of the majority of its available net investment income, subject to appropriate reserves as determined by the General Partner in its sole discretion. Any distributions that KIT makes will, however, be at the discretion of the General Partner taking into consideration such factors as it deems appropriate, including earnings, cash flow, capital needs and general financial condition and the requirements of Luxembourg law. As

a result, KIT's distribution rates and payment frequency are expected to vary from month-to-month and there can be no guarantee that any distributions will be made in respect of any given month. Amounts otherwise distributable in respect of Accumulation Class Shares will be retained and reinvested for the benefit of such Shares.

Servicing Fee:

Class N Shares will bear a servicing fee ("**Servicing Fee**") equal to (on an annualized basis) 0.85% of the Net Asset Value of such Shares. No Servicing Fee will be payable with respect to Class R Shares, Class F Shares, Class E Shares or Class I Shares.

The Servicing Fee is allocated to the financial intermediary through which an underlying shareholder was placed in KIT and/or the financial intermediary which provides ongoing services to such underlying shareholder, in each case as determined by the Investment Manager in its sole discretion. Any amounts allocated in accordance with the foregoing sentence will compensate such financial intermediary for any placement, reporting, administrative and/or other services provided to an underlying shareholder by such financial intermediary. The receipt of the Servicing Fee will result in a conflict of interest.

Redemptions:

- Redemptions of Shares are expected to be offered each calendar quarter, commencing on September 30, 2024 (or such earlier date as may be determined by the General Partner and notified to Shareholders), at the Net Asset Value per Share of each Class, as applicable, as of the last calendar day of the relevant calendar quarter (each, a "**Redemption Day**"). Redemptions of Shares that have been in issue for less than 12 months will be subject to an Early Redemption Deduction of up to 2% of their aggregate Net Asset Value per Share as described in Section V, "*Redemptions*"; *provided that* the Early Redemption Deduction will not apply during an MAE Amendment Notice Period (as described below).

- Permitted Share redemptions are generally limited to 5% of the Net Asset Value of KIT per calendar quarter (measured using the average Net Asset Value as of the end of the three months immediately preceding the relevant Redemption Day and taking into account any applicable Early Redemption Deductions).

- All requests to redeem Shares in KIT (each, a "**Redemption Request**") in respect of any Redemption Day must be provided to the Administrator at least two Business Days prior to the last calendar day of the month preceding the Redemption Day. Settlements of Share redemptions are generally expected to be within 28 Business Days of the relevant Redemption Day.

Term:

Indefinite.

Tax Considerations:

KIT has been formed as a Luxembourg *société en commandite par actions* that expects to be treated as an association taxable as a corporation for U.S. federal tax purposes.

Interests in KIT are not intended to be held by taxable U.S. persons. Any such taxable U.S. person may incur adverse tax consequences as a result of any investment, directly or indirectly, in KIT.

Although KIT intends to operate in a manner that will not be considered engaged in a U.S. trade or business, if it were treated as so engaged, it would be subject to U.S. federal income tax and an additional branch profits tax on its net income attributable to earnings that are, or are treated as, effectively connected with the conduct of a trade or business

within the United States ("**ECI**"). KIT may recognize ECI if it were treated as engaged in a U.S. trade or business, including as a result of the use of management fee offsets, the manner in which its investments are made, or otherwise.

If KIT and/or any lower-tier entity (including but not limited to any lower-tier entity that is treated as a corporation for U.S. federal income tax purposes) recognizes ECI or is otherwise subject to U.S. taxes (including withholding taxes) (see Section X, "*Regulatory and Tax Considerations — Certain U.S. Federal Income Tax Considerations*"), the returns achieved by Shareholders could be materially impacted. Each prospective investor should consult its tax advisor with respect to the foregoing risks, and the specific U.S. federal, state, local and non-U.S. tax and/or filing consequences of an investment in KIT. For more information, please see Section X, "*Regulatory and Tax Considerations — Certain U.S. Federal Income Tax Considerations*", Section XII, "*Risk Factors*" and Section XIII, "*Potential Conflicts of Interest*".

Independent Auditor: Deloitte Audit, a *société à responsabilité limitée*, will serve as the independent auditor of KIT. The role of the auditor in respect of KIT is to provide an opinion that the financial statements of KIT fairly present the financial position of KIT, along with its results of operations, changes in Shareholders' capital and cash flows.

Legal Advisors to the Sub-Fund: *In the U.S.*: Debevoise & Plimpton LLP

In Luxembourg: Linklaters LLP (for Luxembourg law matters only)

In Ireland: Arthur Cox LLP (for Irish law matters only)

II. INVESTMENT INFORMATION

INVESTMENT OBJECTIVE

KIT's investment objectives are to generate current income and, to a lesser extent, long-term capital appreciation primarily by pursuing Direct Lending and Asset-Based Finance strategies as discussed in more detail below.

INVESTMENT STRATEGY AND PORTFOLIO ALLOCATION

Overview

KIT has been established to provide access to KKR's industry-leading Private Credit platform through a global portfolio of credit and credit-related investments with a wide variety of collateral types. As further described below, KIT will primarily pursue investments within KKR Credit's Direct Lending and Asset-Based Finance ("**ABF**") private credit strategies but will also invest in syndicated loans and high yield bonds and other liquid credit investments. KIT believes that its investment strategy:

- **Can provide a better long term yield and diversification benefit relative to a portfolio of more liquid credit investments.** In KKR's view, the bonds markets have become increasingly correlated to the public equity markets and bonds no longer provide the diversification benefit that has historically been sought by many investors as part of a 60/40 equity-to-bond portfolio. KKR believes that Private Credit investments have the potential to provide a material portfolio diversification benefit, including exposure to predominantly floating rate loans which KKR believes are well placed in an uncertain rate environment.[4]

- **Can provide a widely diversified portfolio, which can help to mitigate risk of loss through portfolio diversification.** In credit investments, there is typically limited potential for capital gains, as the key objective for an investor is to receive a return of principal and a yield. The more a credit investor can diversify risk away, the better. While KIT generally expects to primarily target investments in the United States, Canada and Europe and, to a lesser extent, the Asia-Pacific, it has a global investment mandate and can invest opportunistically across non-emerging market jurisdictions. It will invest in both corporate debt and ABF investments providing investors with access to a portfolio that is diversified both geographically and in respect of collateral type.

- **Can provide access to one of the largest private credit businesses in the world, providing KIT with the tools to build what KKR believes is a differentiated global credit portfolio.** KIT will benefit from KKR Credit's local market access and expertise accessed through regional teams based in KKR's 24 offices across four continents.

KIT's investment strategy will be implemented, directly and indirectly, through two primary Private Credit strategies as follows:

- **Direct Lending Strategy**: Direct lending investments typically represent investments in the most senior tranches of a corporate or other issuer's capital structure. Generally, these investments take the form of privately negotiated first or second lien senior loans established through bespoke financing agreements entered into with corporate or other borrowers. In the markets generally targeted by KIT, corporate borrowers typically are not large enough to warrant the focus of the capital markets desks of large national or investment banks or require flexible capital that is not currently being provided by their existing banking relationships. The corporate borrowers and other issuers targeted by KIT will often be privately owned although KIT could also seek to lend to public companies as well. Given the highly negotiated and bilateral nature of these direct lending investments, lenders typically retain significant structuring power and are often able to negotiate attractive deal terms including seniority, specified collateralization, preventative or restrictive covenants, early repayment and non-payment penalties and board representation. In addition to senior secured direct lending investments (e.g., first lien and

[4] Historical market trends are not reliable indicators of future market behaviour or future performance of any particular investment, which may differ materially and should not be relied upon as such.

unitranches), KIT can also invest as part of this strategy in second lien and subordinated debt (e.g., mezzanine or PIK instruments) or in common stock, preferred stock, warrants and other equity securities issued in connection with debt investments.

KIT is also permitted, on an opportunistic basis, to invest as part of its Direct Lending strategy in broadly syndicated corporate debt acquired through the secondary market where the risk profile of such investments is, in the view of the KKR Credit team, comparable to that of the direct lending investments targeted by KIT.

- *U.S. and European Direct Lending*: Notwithstanding KIT's global investment mandate, investments within its Direct Lending strategy are currently expected to focus primarily on originated, directly negotiated private senior secured corporate debt transactions involving U.S. and European businesses, which in turn will be focused on upper middle market borrowers (generally with EBITDA of $50 million and above) where KIT will seek scaled, proven businesses, with strong fundamentals, high revenue visibility and high cash flow.

- *Asia-Pacific Direct Lending:* Another focus of KIT's Direct Lending strategy over time will be originated, directly negotiated private senior secured corporate debt transactions involving businesses in developed countries within the Asia-Pacific region. The Asia-Pacific region, which KKR believes is a less competitive market for the provision of flexible direct lending capital, remains interesting in KKR's view and could provide a further attractive backdrop for investment opportunities for KIT. KKR Credit currently expects to increase its level of engagement in the region with a focus on areas where KKR's legacy relationships can help drive proprietary potential investment flow.

- **Asset-Based Finance Strategy:** KIT's Asset-Based Finance strategy will focus on private credit investments that provide the opportunity for income and capital-appreciation while mitigating the probability and severity of capital-loss through a focus on downside protection and other structural solutions. These investments will be comprised primarily of private ABF investments, which derive returns from recurring, often contractual cash flows of large, diversified pools of underlying hard and financial assets.

  KIT's Asset-Based Finance strategy will take a multi-sector investment approach that seeks the most attractive relative value and risk-adjusted returns (a measure of the excess return per unit of risk in an investment strategy) from investments across a range of sectors, such as Consumer/Mortgage Finance (e.g., auto loans), Contractual Cash Flows (e.g., royalties), Hard Assets (e.g., aircraft leasing) and Commercial Finance (e.g., receivables financing, equipment leasing). A majority of KIT's ABF investments are expected to be directly originated and proprietary, including through newly formed and/or existing lending and servicing platform businesses established by KKR Credit to access specific lending or servicing market opportunities that are otherwise difficult to access. In addition to the senior secured lending opportunities primarily targeted by KIT, these investments can include the provision of more junior debt financing in addition to the provision of equity capital. Where KIT invests in operators or managers of platforms formed to pursue direct lending investments, KIT also could at times pursue opportunities that offer the potential for an equity-like upside.

  A majority of KIT's ABF investments are expected to be illiquid and otherwise not actively traded on an established market. Within this strategy however, KIT could also from time to time depending on market conditions, invest on an opportunistic basis in non-ABF debt investments, such as traded asset-backed securities ("**ABS**") and other corporate debt to exploit periods of credit market dislocation and volatility, and ABF investments acquired through the secondary market where the risk profile of such investments is, in the view of the KKR Credit team, comparable to that of the direct lending investments targeted by KIT.

  To identify and assess ABF investment themes and their related opportunity sets, KIT will seek to leverage market intelligence and data gathered from KKR Credit and its Affiliates, including from the current portfolio at KKR of more than 130 private equity Portfolio Companies and over 1,750 traded credit holdings, in areas such as global macro-economics, demographic and industrial trends and new technology. Examples of current investment themes include the

demand/supply imbalance in housing, the digital economy/"FinTech" and bank capital inefficiency. In addition, themes that are developed in one geographic region can be applied in other regions. In these instances, KIT expects to use KKR Credit's global footprint and local offices to help a lending business expand and apply its lending model beyond its home market. Using industry relationships developed since KKR's founding more than 47 years ago with corporate executives, board members and industry advisors, KIT will proactively pursue investments within its Asset-Based Finance strategy that seek to harness pockets of inefficiency in lending markets and achieve differentiated investment outcomes.

When identifying prospective Portfolio Companies, KIT will focus primarily on the attributes set forth below, which it believes will help KIT generate higher total returns with an acceptable level of risk. While these criteria provide general guidelines for investment decisions in respect of KIT, investors should note that not all of these criteria necessarily will be met by each prospective Portfolio Company in which KIT invests if it otherwise believes the overall benefits of investing in such Portfolio Company are sufficiently strong. These attributes are:

- *Leading, defensible market positions.* KIT will seek to invest in companies that have developed strong competitive positions within their respective markets and exhibit the potential to maintain sufficient cash flows and profitability to service KIT's credit investments therein in a range of economic environments. KIT will target companies that can protect their competitive advantages through scale, scope, customer loyalty, product pricing or product quality relative to their competitors, thereby helping to minimize business risk and protect profitability.

- *Stable companies with positive cash flow.* KIT will seek to invest in established, stable companies with strong profitability and cash flows. Such companies, KIT believes, are well-positioned to maintain consistent cash flow to service and repay KIT's loans and maintain growth in their businesses or market share. KIT does not intend to invest to any significant degree in start-up companies, turnaround situations or companies with speculative business plans.

- *Proven management teams.* KIT will focus on companies that have experienced management teams with an established track record of success. KIT typically prefers Portfolio Companies to have proper incentives in place to align management's goals with KIT's, which could include non-cash and performance-based compensation.

- *Private asset-based finance markets*. With respect to KIT's Asset Based Finance strategy investments, KIT will focus principally on investments in directly originated, private credit investments that provide the opportunity for income and capital-appreciation while mitigating the probability and severity of capital-loss through a focus on downside protection and other structural solutions. These investments are expected to be comprised primarily of private asset-based finance investments, which derive returns from recurring, often contractual cash flows of large, diversified pools of underlying hard and financial assets.

- *Private equity sponsorship.* KIT will seek to participate in transactions sponsored by what KIT believes to be sophisticated and seasoned private equity firms. By co-investing with experienced private equity firms, which commit significant sums of equity capital ranking junior in priority of payment to KIT's credit investments, KIT can benefit from the due diligence review performed by the private equity firms, in addition to KIT's own due diligence review. Further, strong private equity sponsors with significant investments at risk can have both the ability and incentive to contribute additional capital in difficult economic times should operational or financial issues arise, which could provide additional protections for KIT's investments.

- *Allocation among various issuers and industries.* KIT will seek to allocate its portfolio broadly among issuers and industries, thereby attempting to reduce the risk of a downturn in any one company or industry having a disproportionate adverse impact on the value of its portfolio.

- *Global Diversification*. KIT will pursue a global investment strategy that seeks to minimize downside risks by maximizing diversification across geographies. This strategy should provide regional and collateral diversification relative to traditional U.S.-only focused private credit BDCs. KIT's approach to diversified portfolio construction is intended to give KIT the tools to

avoid concentration by sector or geography and to decrease risk of loss in a downturn. KIT's wider focus should also provide flexibility through market cycles.

There is no guarantee that KIT will achieve its investment objectives. Please refer to Section XII, "*Risk Factors*" and Section XIII, "*Potential Conflicts of Interest*" of this Memorandum for additional details on the risks associated with an investment in KIT.

Broad, Opportunistic Investment Mandate

Investors should note that the investment strategies described above represent KIT's initial expectations with respect to its targeted investment strategies. Such description is intended to be general in nature and is subject to change at any time at the discretion of the General Partner. KIT has a broad and opportunistic credit investment mandate and while KIT may observe internal liquidity guidelines that may be established by the General Partner from time to time, KIT has not adopted any specific investment restrictions or guidelines with the exception that KIT will generally not make investments where the "country of risk" of the relevant issuer is an emerging market jurisdiction as determined by the Investment Manager at the time of investment based on its internal criteria. There are no limitations on the credit strategies or types of credit or credit-related investments that KIT can pursue, or the markets or types of instruments in which KIT can invest. In addition, KIT has not adopted any specific concentration limitations in respect of its investments. The Investment Manager will take an opportunistic approach to KIT's investments, taking into account its liquidity requirements, and KIT can pursue credit investment strategies not described in this Memorandum that the Investment Manager determines are appropriate.

In particular, but without limitation, KIT will seek to tailor its investment focus as market conditions evolve. Depending on market conditions, KIT could increase or decrease its direct and indirect exposure to less senior portions of the capital structures of its Portfolio Companies or otherwise make opportunistic investments, such as where the market price of loans, bonds or other securities reflects a lower value than deemed warranted by the Investment Manager's fundamental investment analysis. Such investment opportunities could occur due to general dislocations in the markets, a misunderstanding by the market of a particular company or an industry being out of favour with the broader investment community and could include event driven investments, anchor orders (generally large orders in an offered transaction in return for attractive pricing and/or structural considerations) and investments in structured products.

To a lesser extent, KIT could also on an opportunistic basis invest in syndicated loans and bonds acquired through the secondary market where the risk profile of such investments is, in the view of the KKR Credit team, comparable to that of the direct lending investments targeted by KIT, and may also hold such investments for the purposes of maintaining liquidity for Share redemptions and cash management, while also presenting an opportunity for attractive investment returns. KIT is also permitted to acquire interests in the form of common or preferred equity or equity-related securities, such as rights and warrants that are permitted to be converted into or exchanged for common stock or other equity or the cash value of common stock or other equity, including through a co-investment with a financial sponsor or the restructuring of a portfolio investment.

KIT can invest in companies of any size or capitalization and subject to any applicable regulatory limitations, KIT can invest in loans or other securities, the proceeds of which could refinance or otherwise repay debt or securities of companies whose debt was originated and directly negotiated by KKR Credit or its Affiliates, including for these purposes, by Other KKR Funds.

KIT expects to invest in securities that are rated below investment grade by rating agencies or that are unrated but would be rated below investment grade if they were rated. Below investment grade securities, which are often referred to as "junk", have predominantly speculative characteristics with respect to the issuer's capacity to pay interest and repay principal. They could also be difficult to value and illiquid.

KIT can invest all or substantially all of its assets in cash or cash-like investments for temporary defensive purposes.

Hedging Strategy; Derivatives

KIT is permitted (but is not required) to engage in hedging transactions in connection with the acquisition, holding, financing, refinancing or disposition of investments, including investments in

exchange-traded funds, currency futures, forwards and other currency hedging transactions, swaps (including credit default swaps), short sales, contracts for difference and other derivative contracts, instruments or arrangements that are designed to reduce one or more risks associated with its investments (such investments, contracts and instruments collectively, "**Hedging Transactions**"). Any derivative transactions entered into for speculative purposes are not expected to be material to KIT's business or results of operations. For the avoidance of doubt, Portfolio Companies and other issuers in which KIT invests, including K-FIT, which has a similar strategy which it implements in accordance with relevant limitations applicable under the 1940 Act, may enter into Hedging Transactions and other transactions involving derivative contracts or instruments, which Hedging Transactions and other transactions will not be subject to any restrictions regarding such transactions imposed on KIT under this Memorandum.

Hedging Transactions may be entered into on a joint and several or cross-collateralized basis with, or for the benefit of, any co-investment vehicle or any Other KKR Fund that invests alongside KIT in a particular Portfolio Company (including any Parallel Vehicles), or their respective direct or indirect subsidiaries; *provided that* to the extent that KIT agrees to be liable for more than its *pro rata* share of any obligation in connection with a Hedging Transaction in which one or more co-investment vehicles or Other KKR Funds (including any Parallel Vehicles) also participate, then the AIFM (or the Investment Manager as the delegate of the AIFM) or its Affiliates will cause such co-investment vehicles or Other KKR Funds (including any such Parallel Vehicles) (or their relevant direct or indirect investment subsidiaries) to contribute towards or otherwise be liable for their allocable share of such obligation. The base currency of KIT is the U.S. dollar and its performance is measured in the U.S. dollar. While KIT will generally seek to hedge its exposure to currencies other than the U.S. dollar, KIT will not always avoid, be able to avoid or deem it desirable or practicable in the circumstances to seek to avoid unhedged exposure to currencies other than the U.S. dollar.

As described in Section III, "*Share Class Information*" of this Memorandum, KIT currently offers Classes denominated in AUD in addition to the U.S. dollar. KIT could, in the future, offer additional Classes denominated in other currencies. Where KIT offers Classes denominated in a currency other than the U.S. dollar, KIT intends as far as it determines is reasonably practicable to enter into hedging arrangements on behalf of such Class in order to seek to minimize currency risk exposure relative to the U.S. dollar. Each such Class will be responsible for the additional costs of such currency hedging arrangements.

There can be no assurance that any hedging strategy employed by KIT will be successful or that any such strategy will not otherwise incur losses and adversely impact the Net Asset Value of KIT or the relevant non-U.S. dollar Class, as applicable. *See* Section XII, "*Risk Factors*" of this Memorandum for additional information in respect of such hedging activities.

If the General Partner deems it necessary or advisable for legal, tax, regulatory or business considerations, the General Partner may, in lieu of having KIT hold an investment in a Portfolio Company, structure one or more investments through total return swaps and other derivative instruments that are designed to synthetically replicate the benefits and risks of holding or exiting an investment.

Eligible Assets

In pursuing its investment objectives, KIT has a broad mandate to invest in any form of credit investments, including long-term and short-term debt securities, whether traded, convertible or not (including convertible debt securities) and private origination or acquisition of debt of whatever rank. Eligible assets may include other forms of alternative investments, in particular secondary investments, direct investments and co-investments. In connection with KIT's credit investments, KIT could receive equity interests including warrants or options as additional consideration. KIT is also permitted to acquire assets in the form of common or preferred equity or equity-related securities, such as rights and warrants that are permitted to be converted into or exchanged for common stock or other equity or the cash value of common stock or other equity. In addition, KIT may invest in corporate bonds, structured products and other debt securities and derivatives, including total return swaps and credit default swaps. KIT may enter into transactions (each, a "**Participated Loan**") with one or more Persons (each, a "**Participated Loan Counterparty**") pursuant to which KIT will have the right to receive from such Participated Loan Counterparties (which will be lenders of record under the loan documents) payments of principal, interest and other amounts received from the underlying Participated Loan obligor and KIT may have a corresponding obligation to fund all capital and other amounts payable by the lender of record pursuant to the Participated Loan.

KIT does not intend to use indices covered by the Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014. Notwithstanding the preceding, KIT may use indices in its marketing materials or other documents in order to give investors an overview over KIT's performance compared to such indices.

KIT intends to pursue its investment objectives and seek exposure to eligible assets directly and indirectly through an investment in K-FIT as determined by the General Partner in its sole discretion, which K-FIT investments over time could represent up to 60% to 70% of the Net Asset Value of KIT. See Section XII, "Risk Factors" and Section XIII, "Potential Conflicts of Interest" and elsewhere in this Memorandum for additional details of such investments and certain risks and conflicts of interest relating thereto.

Diversification Requirements

Subject to KIT's investment in K-FIT (the K-FIT investment strategy being diversified to an extent meeting the requirements of the RAIF Law), KIT shall not invest, indirectly through the KIT Aggregator, more than 30% of its gross asset value in: (i) securities (whether equity, debt, hybrid or any other kind) of the same type issued by the same issuer; (ii) a single loan extended by KIT to the same borrower; or (iii) a single securitisation or other collateralised asset. Short positions (if applicable) in securities of the same type issued by the same issuer resulting from short sales shall not exceed 30% of KIT's gross asset value. With respect to (i) Derivative Transactions, KIT's exposure to the same Person that is the counterparty of a Derivative Transaction (combined with the exposure resulting from such Person being an issuer of the asset underlying a derivative transaction) shall not exceed 30% of KIT's gross asset value; and (ii) Participated Loans, KIT's exposure to the same Person that is the counterparty of Participated Loans shall not exceed 30%. The limitations set forth in this paragraph shall apply as of December 31, 2025, which compliance date has been set to correspond to a period of approximately two years following the Initial Subscription Day.

Potential Market Opportunity[5]

KKR believes significant investment opportunities will continue to present themselves in the Direct Lending and Asset-Based Finance strategies targeted by KIT.

Attractive Opportunities in First Lien, Senior Secured Loans

KKR believes the variable rate structure of most first lien, senior secured loans presents significant opportunities. Additionally, KKR believes that the strong defensive characteristics inherent in many securities across this asset class make them compelling investments. Because first lien, senior secured debt has priority in payment among an issuer's security holders (i.e., holders are due to receive payment before junior creditors and equity holders), they carry the least potential risk within the issuer's capital structure. Further, first lien, senior secured debt investments are secured by the issuer's assets, which could be seized in the event of a default. First lien, senior secured loans generally also carry restrictive covenants aimed at ensuring repayment before junior creditors, including unsecured bondholders and other security holders, preserving collateral to protect against credit deterioration.

Lending to Middle Market Private Companies

In addition to investing in first lien, senior secured loans, KKR believes that the market for lending to private companies is underserved and presents a compelling investment opportunity. The following characteristics support this belief:

- *Large Target Market.* Middle market companies have historically represented a significant portion of the growth segment of the global economy. These companies also often require substantial capital investment to grow their businesses. Historically, significant private equity capital has been available for investment in middle market companies and KKR expects that

[5] The historical market trends discussed in this section, which are based on the views and internal research of KKR Credit, are not reliable indicators of future market behaviour or future performance of any particular investment, which may differ materially and should not be relied upon as such.

private equity firms will continue to leverage their investments in middle market companies with senior secured loans.

- *Limited Investment Competition.* Despite the size of the market, regulatory changes and other factors have diminished the role of traditional financial institutions in providing financing to middle market companies in favour of lending to large corporate clients and leading syndication efforts for capital markets transactions. Further, KKR believes a limited number of lenders are willing to hold large amounts of middle market loans. As a result, KKR believes KIT's ability to eliminate syndication risk by holding middle market loans is a competitive advantage.

  Lending and originating new loans to middle market companies, which are often private, generally requires a greater dedication of a lender's time and resources compared to lending to larger companies, as it is often more difficult to make investments in, and acquire information about, smaller companies. Many investment firms lack the breadth and scale necessary to identify investment opportunities, particularly directly originated investments in middle market companies, which could result in their overlooking many attractive investment opportunities. Middle market companies also can require more active monitoring and participation on the lender's part. KKR believes that many large financial organizations, which often have relatively high-cost structures, are not suited to deal with these factors and instead emphasize services and transactions to larger corporate clients, resulting in a reduction in the availability of financing to middle market companies.

- *Attractive Market Segment.* KKR believes that the underserved nature of such a large segment of the market can at times create significant investment opportunities. In many environments, lending to middle market companies can offer more attractive economics than lending to larger corporations in terms of transaction pricing, up-front and ongoing fees, prepayment penalties, stricter covenants and quality collateral. In addition, middle market companies often have simpler capital structures and carry less leverage than larger companies, thus aiding the structuring and negotiation process and allowing KIT greater flexibility in structuring favourable transactions.

Asset-Based Finance Strategy

The primary focus of KIT's Asset-Based Finance strategy will be investment in attractive, directly originated, non-corporate lending opportunities within the private ABF sector. The well-documented retreat by banks from lending activity following the 2008 financial crisis has had a major impact on non-corporate lending activity, a segment that today comprises a far larger portion of the global debt capital markets and the real (*i.e.*, non-financial services) economy than corporate lending. Private ABF market is estimated to increase by more than two and a half times from its estimated size in 2007 and this makes the private ABF market significantly larger than the global corporate direct lending market.[6] Private ABF includes investments in directly originated assets that derive returns from recurring, often contractual cash flows of large, diversified pools of underlying hard assets (e.g., aircraft and industrial equipment) and financial (e.g., bridge mortgages and auto loans) assets. By pursuing new, underserved and/or mispriced lending opportunities, the issuers of ABF investments seek to generate uncorrelated returns for investors at a meaningful premium to other forms of private and traded credit.

KIT Aggregator; Parallel Vehicles

All investments by KIT, including direct investments and investments in K-FIT will be made through the KIT Aggregator.

If it considers it appropriate for any legal, tax, regulatory, accounting, compliance, structuring or other considerations of KIT or of certain current or prospective Shareholders, the Investment Manager, or any of its Affiliates, may, in its sole discretion, establish one or more parallel vehicles to invest alongside KIT in the KIT Aggregator (each such entity, a "**Parallel Vehicle**"). As a result of such legal, tax, regulatory,

[6] Integer Advisors and KKR Credit research estimates based on latest available data as of September 30, 2022, sourced from country-specific official/trade bodies as well as company reports. Represents the global stock of private financial assets originated and held by non-banks, related to household (including mortgages) and business credit. Excludes loans securitized or sold to agencies and assets acquired in capital markets or through other secondary/ syndicated channels.

accounting, compliance, structuring or other considerations, the terms of such Parallel Vehicles may differ substantially from the terms of KIT. Such differences may include but are not limited to different subscription and redemption terms. The liquidity requirements of such Parallel Vehicles, including to fund redemption requests by investors in such Parallel Vehicles and other distributions by such Parallel Vehicles, may impact the ability of KIT to satisfy Redemption Requests and other distributions to its Shareholders. The general partner of the KIT Aggregator and its Affiliates expect to limit aggregate redemptions from the KIT Aggregator in the same manner as redemptions of Shares of KIT and in particular to limit such redemptions to 5% of the net asset value of the KIT Aggregator. Such liquidity requirements may similarly impact KIT to the extent that K-FIT (and any underlying Other KKR Fund) imposes redemption limitations on the aggregate investments through the KIT Aggregator of KIT and any such Parallel Vehicle. Each such Parallel Vehicle will subscribe for and redeem its interest in the KIT Aggregator based on its then current net asset value. *See* sub-section *"Determination of Net Asset Value Per Share"* in Section VII*, "Determination of Net Asset Value"* below and sub-section *"Valuations"* in Section XII*, "Risk Factors"* below.

The costs and expenses associated with the organization and operation of any Parallel Vehicle may be apportioned to, and borne solely by, the investors participating in such Parallel Vehicle or be allocated among KIT and any Parallel Vehicles as determined by the Investment Manager in its reasonable discretion.

If it considers it appropriate for any legal, tax, regulatory, accounting, compliance, structuring or other considerations, the Investment Manager or any of its Affiliates may, in its sole discretion, establish and introduce one or more intermediate entities through which KIT and/or any Parallel Vehicles shall invest in the KIT Aggregator.

LEVERAGE

KIT and the General Partner, on its own behalf and on behalf of KIT, will have the right to (and generally expects to), at their options (including through one or more special purpose vehicles including CLO issuers established by the General Partner and its Affiliates for such purposes), borrow, provide credit support or guarantee loans or other extensions of credit for investments and other related purposes on a joint and several or cross-collateralized basis with, or for the benefit of, any co-investment vehicle or any Other KKR Fund that invests alongside KIT (including any Parallel Vehicles), including, without limitation, by entering into one or more revolving credit facilities or any other debt or leverage facility or facilities or other loans or extensions of credit provided by one or more lenders, including KKR, the Investment Manager and their respective Affiliates. KKR, the Investment Manager and their respective Affiliates will otherwise be under no obligation to extend credit to KIT. KIT is also permitted to incur direct or indirect leverage through its hedging activities as described above in "*—Hedging Strategy; Derivatives*".

KIT will generally not incur any borrowings or provide guarantees (other than in respect of its hedging activities and temporarily as described below) that would result in the Leverage Ratio to be in excess of 90% (the "**Leverage Limit**"); *provided that* no remedial action will be required if the Leverage Limit is exceeded for any reason other than the incurrence of an increase in indebtedness (including the exercise of rights attached to an investment).

"**Leverage Ratio**" means, on any date of incurrence of any such indebtedness, the quotient obtained by dividing (i) Aggregate Net Leverage by (ii) Total Assets (as determined in accordance with the Valuation Policy).

"**Aggregate Net Leverage**" means the aggregate amount of recourse indebtedness for borrowed money (e.g., bank debt) of KIT, *minus* (i) cash and cash equivalents of KIT, (ii) unsettled trades and without duplication, (iii) cash used in connection with funding a deposit in advance of the closing of an investment or any working capital advances.

"**Total Assets**" means the month-end values of KIT's investments, in addition to the value of any other assets (such as cash on hand) and the deduction of certain liabilities as determined in accordance with the Valuation Policy. The Valuation Policy may be changed from time to time by the AIFM in its sole discretion.

For purposes of determining Aggregate Net Leverage, the Investment Manager shall use the principal amount of borrowings, and not the valuations of KIT borrowings, and may, in its sole discretion, determine which securities and other instruments are deemed to be cash equivalents. KIT's assets or any part thereof, including any accounts of KIT, may be pledged in connection with any credit facilities or borrowings. From time to time, the Leverage Limit may be exceeded, including to satisfy short-term liquidity needs, refinance existing borrowings or for other obligations. For the avoidance of doubt, the Leverage Limit does not apply to indebtedness at the Investment level, guarantees of indebtedness or other related liabilities that are not recourse indebtedness for borrowed money of KIT.

Leverage for AIFMD Purposes

In addition to the information regarding borrowings outlined above, the AIFM is required under the AIFMD to disclose the maximum level of leverage which it is entitled to employ on behalf of KIT for AIFMD purposes. In this regard, "leverage" is defined as any method by which the AIFM increases the exposure of KIT, whether through borrowing of cash or securities, or leverage embedded in derivative positions or by any other means. The European Commission Delegated Regulation (EU) No 231/2013 of 19 December 2012 supplementing the AIFMD with regard to exemptions, general operating conditions, depositaries, leverage, transparency and supervision (the "**AIFMD Level 2 Regulation**") provides that the leverage of KIT must be expressed as the ratio between the exposure of KIT and its Net Asset Value and requires that two methods be used to calculate the exposure of KIT: the "gross" method and the "commitment" method (each of which is set out in detail in the AIFMD Level 2 Regulation). In summary, each method prescribes that the exposure of KIT will be the sum of the absolute values of all positions calculated in accordance with Article 19 of the AIFMD and all delegated acts adopted pursuant to it. Exposure calculated using the "gross" method includes KIT's physical holdings, excluding cash, but does not take account of netting or hedging arrangements (if any) employed by KIT. Exposure calculated using the "commitment" method includes KIT's physical holdings, including cash, and takes into account hedging and netting arrangements (if any) employed by KIT if certain criteria are met.

The AIFMD Level 2 Regulation (and in particular, Article 6(4) thereof) permits the AIFM to exclude from its leverage calculations for the purposes of both the "gross" and "commitment" calculations, borrowing arrangements entered into if these are "temporary in nature" and are fully covered by contractual capital commitments by Shareholders in KIT. However, Recital 14 of the AIFMD Level 2 Regulation states that revolving credit facilities will not be considered to be temporary in nature for these purposes.

It is intended that borrowings incurred by KIT as described in "Leverage" above will be incurred through revolving credit facilities, which is a credit facility structure that the AIFM believes provides advantageous terms to KIT. While these revolving credit facilities are intended to be temporary in nature, due to the language in Recital 14 to the AIFMD Level 2 Regulation referred to above, it appears that borrowings under these facilities are not excluded from the AIFMD leverage calculations for KIT. Accordingly, applying both the "gross" and "commitment" calculation methods described above, the AIFM has established for KIT a maximum level of leverage relative to the Net Asset Value of KIT of 250:1 (excluding temporary borrowing arrangements (if any) meeting the requirements of the AIFMD Level 2 Regulation). Compliance with this guideline will be determined on a quarterly basis. In the event that this limit is exceeded for KIT after leverage has been incurred, including, for example, as a result of a change in the fair value of KIT's investments during any ramp up period when investments remain primarily financed through KIT's revolving credit facility arrangements, the AIFM will make good faith efforts to bring KIT's exposure back into compliance with these maximum levels but such event will not constitute a breach of an investment restriction adopted by KIT. The AIFM is permitted to increase KIT's maximum leverage exposure for AIFMD purposes from time to time. If it increases such exposure, it will provide notice in writing to the Shareholders in the next monthly letter or in a separate notice to the Shareholders following such increase.

III. SHARE CLASS INFORMATION

Share Capital and Shares

The Share capital of the Fund is represented by fully paid-up Shares of no nominal value and is at any time equal to the total net assets of the sub-funds of the Fund. The Fund will issue two types of Shares:

(a) one or more Management Shares, which are subscribed for by, and reserved to, the General Partner as an unlimited shareholder (*actionnaire commandité*); and

(b) one or more Ordinary Shares, which are subscribed by limited shareholders (*actionnaire commanditaire*).

The minimum subscribed capital of the Fund is the equivalent in U.S. dollars of €1,250,000, which must be reached within 24 months of the incorporation of the Fund.

The Fund (and the Administrator acting on behalf of the Fund) reserves the right to request such information as is necessary to verify the identity of an investor and its status in regard to the qualification as a Qualified Investor and to verify that any investor is not a Prohibited Person (as defined below). In the event of delay or failure by the investor to produce any information required for verification purposes, the Fund (and the Administrator acting on behalf of the Fund) may refuse to accept such investor's Application Form or transfer notice.

The Ordinary Shares are offered to Qualified Investors only who meet the additional eligibility requirements of the Sub-Fund and its Classes (as defined below) or Series (as defined below), as applicable, as set forth in the Memorandum. The Fund will issue shares in registered form only.

The General Partner is authorised without limitation to issue an unlimited number of fully paid-up Ordinary Shares with no nominal value at any time without reserving to the existing shareholders a preferential right to subscribe for the Ordinary Shares to be issued.

With respect to the Ordinary Shares, the General Partner may, at any time, issue different classes of Shares (each, a "**Class**") in relation to the Sub-Fund, which may carry different rights and obligations regarding, among other things, eligible investors, income and profit entitlements, redemption features, reporting obligations and/or fee and expense features as determined in this Memorandum. A Class may further be subdivided in series which may correspond to such specific features as shall be determined by the General Partner and specified in this Memorandum (each, a "**Series**").

The Fund will recognize only one holder per Share. In case a Share is held by more than one person, the Fund has the right to suspend the exercise of all rights attached to that Share until one person has been appointed as sole owner in relation to the Fund. The same rule will apply in the case of conflict between a usufruct holder (*usufruitier*) and a bare owner (*nu-proprietaire*) or between a pledgor and a pledgee. Moreover, in the case of joint Shareholders, although the Fund will recognize joint ownership in the register of Shareholders, the Fund reserves the right to pay any redemption proceeds, distributions or other payments to the first registered holder only, whom the Fund may consider to be the representative of all joint holders, or to all joint Shareholders together, at its absolute discretion.

Fractional Shares may decide to issue fractional Shares, up to two decimal places, and such fractional Shares will not be entitled to vote but will be entitled to a participation in the net results and in the proceeds of liquidation attributable to the relevant Class in the relevant sub-fund on a *pro rata* basis. In respect of any resolution on which a Shareholder is entitled to vote pursuant to this Memorandum, the Articles and its Application Form, such Shareholder shall have one vote per Share.

Redeeming Initial Shareholder

The Redeeming Initial Shareholder shall be fully redeemed as a shareholder of the Fund, effective upon the first issue of Ordinary Shares to a third-party investor. Because of such redemption, the Redeeming Initial Shareholder has no further right, interest or obligation of any kind whatsoever as a shareholder of the Fund. Any capital contribution of the Redeeming Initial Shareholder will be returned to it on the date of its redemption.

Share Classes of KIT

The following Classes of Ordinary Shares are open to Shareholders in KIT and will be generally offered in Series (unless otherwise decided by the General Partner in accordance with Section IV, "*Subscriptions*," sub-section "*Initial Offering Period and Issue Price*" of this Memorandum):

Class	Currency	Type of Eligible Shareholder	Type of Share
$R_{A\text{-}USD}$	USD	Shareholders who are located in jurisdictions that do not permit payment of shareholder servicing or similar fees who have an account-based fee arrangement with their financial intermediary.	Accumulation
$R_{D\text{-}USD}$	USD		Distribution
$N_{A\text{-}USD}$	USD	Shareholders who are located in jurisdictions that permit payment of shareholder servicing or similar fees.	Accumulation
$N_{D\text{-}USD}$	USD		Distribution
$E_{A\text{-}USD}$	USD	Shareholders that are partners, members, managing directors, directors, officers, or employees of KKR or its Affiliates ("**KKR Personnel**"), Senior Advisors, Industry Advisors, KKR Advisors, Executive Advisors, other associates of KKR or its Affiliates or any of their respective Affiliates or designees, as well as Other KKR Funds.	Accumulation
$E_{D\text{-}USD}$	USD		Distribution
$F_{A\text{-}USD}$	USD	"Founder" Shareholders.	Accumulation
$F_{D\text{-}USD}$	USD		Distribution
$I_{D\text{-}AUD}$	AUD	Shareholders specifically approved by the General Partner.	Distribution

Except as otherwise described in this Memorandum, including under sub-sections "— *Hedging"* and "— *Distributions*" below and in Section VIII, "*Fees and Expenses; Accounting; Reporting; Shareholder Matters*", the terms of each Class of Shares are identical.

Other Sub-Funds; Other Classes; Series

The General Partner has the authority to, at any time, establish new sub-funds of the Fund in addition to KIT with Shares having similar characteristics to the Shares in the existing sub-funds and also to create and issue new Classes or series of Shares within any sub-fund at its discretion, with such Shares having different rights, benefits, powers or duties and terms, including with respect to fees, allocations, distributions and liquidity. Such Shares may also be denominated in different currencies.

Generally, a new Series of Shares will be issued on each date that Shares of any Class are purchased (unless otherwise decided by the General Partner in accordance with Section IV, "*Subscriptions*," sub-section "*Initial Offering Period and Issue Price*" of this Memorandum). The General Partner may cause Shares of a later Series to be exchanged for Shares of a prior Series; *provided that* such combination does not have an adverse effect on the Net Asset Value of any Share. Each Share will carry equal rights and privileges with each other Shares of the same Series.

Hedging

The base currency or "**Reference Currency**" of the Fund and each of its sub-funds, including KIT, is the U.S. dollar. As described above, KIT currently offers Classes denominated in AUD as well as the U.S. dollar and in the future could make available Classes denominated in other currencies. Where KIT offers Classes denominated in a currency other than the U.S. dollar, KIT generally intends as far as it determines is reasonably practicable, but is not required, to enter into Hedging Transactions on behalf of such Class in order to seek to minimize currency risk exposure relative to the U.S. dollar, however, depending on the prevailing circumstances, KIT may or may not hedge certain Classes, either partially or fully.

The objective of such Hedging Transactions is to seek to maintain a close similarity in any given period between the gross return of KIT's U.S. dollar Classes, as expressed as a percentage increase in U.S. dollar value, and the gross return of such hedged Classes, as expressed as a percentage increase in the applicable non-U.S. currency value. However, hedging U.S. dollar-denominated assets with fluctuating and uncertain values is inherently difficult, and as a result there can be no assurance that the Hedging Transactions will be effective in achieving this objective. In particular, the gross returns of the relevant hedged Classes are expected to differ from the corresponding U.S. dollar Classes, and such differences could be material. To the extent the Hedging Transactions are partly or entirely unsuccessful, the Net Asset Value of the relevant Classes will fluctuate entirely with the U.S. dollar exchange rate as well as with the changes in value of the investments of KIT.

The various Classes of Shares of KIT do not constitute separate, segregated portfolios of assets and liabilities. Accordingly, while gains, losses and expenses of any Hedging Transactions undertaken for the benefit of any Class of Shares will be allocated by KIT solely to such hedged Class, KIT as a whole (including with respect to assets allocated to any non-hedged Classes, which may be available to the relevant counterparties), may be liable for obligations in connection with currency hedges in favour of a specific Class of Shares.

The Investment Manager may review and modify the hedging policy of KIT from time to time depending on movements and projected movements of relevant currencies and interest rates and the availability of cost-effective hedging instruments to KIT at the relevant time.

Distributions

Subject to the RAIF Law and terms of the relevant Class as described below, the General Partner expects KIT to pay regular monthly cash distributions of the majority of its available net investment income, subject to appropriate reserves as determined by the General Partner in its sole discretion. Any distributions that KIT makes will, however, be at the discretion of the General Partner taking into consideration such factors as it deems appropriate, including earnings, cash flow, capital needs and general financial condition and the requirements of Luxembourg law. As a result, KIT's distribution rates and payment frequency are expected to vary from month-to-month and there can be no guarantee that any distributions will be made in respect of any given month.

Each Class of Shares issued by KIT is designated as either an "Accumulation Class" or a "Distribution Class". Shareholders that subscribe for Distribution Class Shares will receive any distributions declared by KIT in respect of such Shares in cash. In contrast, in lieu of distributing such amounts to Shareholders that subscribe for Accumulation Class Shares, KIT will retain and reinvest such amounts on behalf of such Accumulation Class Shares, which reinvested amounts will be reflected in the Net Asset Value per Share of such Accumulation Class Shares. If a Shareholder does not indicate in its Application Form whether it is subscribing for Accumulation Class or Distribution Class Shares, the Shareholder's subscription will be treated as a subscription for Accumulation Class Shares of the relevant Class.

While the General Partner generally expects to make distributions in respect of Distribution Class Shares in cash, in the event that any in-kind distributions are made, the independent auditor of KIT shall establish a report to value the in-kind distribution. The costs associated with such in-kind distributions (in particular the report of KIT's independent auditor) shall be borne by the Shareholders or a third party but will not be borne by KIT unless the AIFM considers that the distribution in kind is in the interest of the Fund or made to protect the interest of the Shareholders. Cash distributions to Shareholders will be made in the same currency as the currency of the Class to which such distributions relate.

KIT may fund any distributions from sources other than cash flow from operations, including the sale of assets, borrowings, return of capital or Share subscription proceeds, and although the General Partner generally expects that KIT will fund distributions from cash flow from its portfolio investments, it has not established limits on the amounts that KIT may pay from such sources. The extent to which KIT pays distributions from sources other than cash flow from portfolio investments will depend on various factors, including how quickly KIT invests subscription proceeds received in respect of any Share subscriptions and the performance of KIT's investments. Funding distributions from the sales of assets, borrowings, return of capital or Share subscription proceeds will result in KIT having less funds available to make portfolio investments. As a result, the return that Shareholders will realize on their investment in KIT may be reduced. Doing so may also negatively impact KIT's ability to generate cash flows. Notwithstanding any contrary provision in this Memorandum, KIT will not declare and make a distribution to any Shareholder with respect to its Shares if such distribution would violate the 1915 Law, the RAIF Law or other applicable law.

Shareholders of record as of the record date will be eligible for distributions declared in respect of their Shares. The per Share amount of distributions in respect of Class N Shares, Class R Shares, Class E Shares, Class F Shares and Class I Shares designated in the same currency (whether reinvested in respect of Accumulation Class Shares or otherwise) may differ because of different Class-specific Management Fees and Incentive Fees and Servicing Fees that may be deducted from the gross distributions for each Class, as applicable, and the fact that Class E Shares do not bear Management Fees, Incentive Fees or Servicing Fees. Specifically, with respect to Servicing Fees, distributions on Class N Shares would be lower than Class R Shares, Class E Shares, Class F Shares and Class I Shares because KIT is required to pay ongoing Servicing Fees with respect to the Class N Shares. Each Share within the same Class entitles a Shareholder to the same proportion of any distributions made with respect to such Class.

Notwithstanding anything to the contrary in this Memorandum, no distributions will be made if the Fund's capital would fall below the minimum required by the RAIF Law.

As discussed above under "—*Hedging*", Shareholders holding Shares with a functional currency other than the U.S. dollar are exposed to fluctuations of the U.S. dollar foreign exchange rate and/or hedging costs, which may lead to variations on the amount to be distributed.

IV. SUBSCRIPTIONS

General

Shares in KIT will be offered primarily through financial intermediaries, which generally have client net worth thresholds and other requirements. Accordingly, KIT is primarily intended for investors with such financial intermediary relationships. Potential Shareholders should consult with their financial intermediary to discuss potential eligibility and suitability to invest in KIT. Each potential Shareholder must satisfy the eligible Shareholder qualifications as set forth in KIT's Application Form.

Initial Offering Period and Issue Price

Until KIT has determined its first Net Asset Value (its "**Initial Offering Period**"), which is expected to be as of the end of the first full month after KIT has accepted third-party investors, the subscription price per Share will be $25.00.

A new Series of Shares of a Class generally will be issued on each Subscription Day when Shares of that Class are purchased, unless otherwise decided by the General Partner in its sole discretion, including without limitation where operational, administrative and/or system limitations would prohibit a financial intermediary and/or feeder vehicle from subscribing to Shares of any such Class issued in Series.

Minimum Subscription and Holding Amounts

The minimum initial subscription amount for investments in KIT is $100,000 or its currency equivalent in respect of any Class denominated in a currency other than U.S. dollars subject to the following: (i) Well-Informed Investors that are not institutional investors or Professional Investors are subject to a minimum initial subscription amount of €100,000 or its currency equivalent in respect of any Class denominated in a currency other than euros, as applicable, and (ii) investors may be subject to higher minimum initial subscription amounts based on eligibility requirements applicable under such investors' local laws, as applicable, as provided in the Application Form (the "**Minimum Subscription and Holding Amount**"). Shareholders may subscribe to KIT directly or via nominee or omnibus accounts. The investments made by the nominee will not be aggregated in order to determine the investor's eligibility for a specific Class or its minimum subscription or holding, as applicable.

The General Partner may, in its discretion, increase the minimum amount of any subscription for any Class of KIT and subject to applicable law, reserves the right to waive any minimum initial subscription and/or holding amount in its own discretion.

Subsequent Subscriptions

Subscriptions to purchase Shares of any Class of KIT may be made on an ongoing basis, but Shareholders may only purchase Shares pursuant to accepted subscription orders as of the first calendar day of each month (a "**Subscription Day**"). The General Partner may, if it deems appropriate, close KIT to new subscriptions. A new Series of Shares of a Class generally will be issued on each Subscription Day when Shares of that Class are purchased (unless otherwise decided by the General Partner in accordance with Section IV, "*Subscriptions*," sub-section "*Initial Offering Period and Issue Price*" of this Memorandum).

The timing of Subscription Days and deadlines for subscribing may be modified from time to time by the General Partner in its sole discretion.

Subscription Fees

Certain financial intermediaries through which a Shareholder was placed in KIT may charge such Shareholder upfront selling commissions, placement fees, subscription fees or similar fees (i.e., Subscription Fees) on Shares sold in the offering that are paid by the Shareholder outside of its investment in KIT and not reflected in KIT's Net Asset Value. Prospective investors should take such fees into account in considering any potential investment in KIT.

Subscription-in-kind

In the sole discretion of the General Partner, KIT may also accept assets as payment for the Shares *provided* that the securities meet the investment policy and investment restrictions of KIT. In such case,

the independent auditor of KIT shall establish a report to value the contribution in-kind, the expenses of which shall be borne by either the subscriber who has chosen this method of payment or by KIT, if so agreed and if this is in the interest of KIT as determined by the General Partner.

Share Issuance and Price

After the Initial Offering Period, Shares of each Class of KIT available for investment will be issued at a subscription price based on the relevant Net Asset Value per Share of such Class determined on each Valuation Day (*see* Section VII, "*Determination of Net Asset Value*" of this Memorandum). Fractions of Shares to two decimal places will be issued.

A prospective Shareholder must notify the Administrator of its desire to subscribe for Shares by 5 p.m. Central European Time at least six Business Days prior to the Initial Subscription Day or, as applicable, six Business Days prior to the first calendar day of any subsequent month (unless waived by the General Partner in its sole discretion) and provide a completed and executed Application and Account Opening Form in good order. Any application received after such time shall be calculated on the basis of the Net Asset Value per Share for the relevant Class calculated on the following Valuation Day.

For example, if a prospective Shareholder wishes to make an initial subscription for Shares of KIT in June, the initial subscription request must be received in good order at least six Business Days before July 1st. The effective offering price will equal the Net Asset Value per Share of the applicable Class as of the last calendar day of June. If accepted, the subscription will be effective on the first calendar day of July (based on the June 30th Net Asset Value per Class). Late subscription orders will be automatically resubmitted for the next available Subscription Day, unless such subscription order is withdrawn or revoked before 5 p.m. Central European Time at least five Business Days before this next Subscription Day (subject to the General Partner's discretion to accept after such time).

KIT's monthly Net Asset Value as of the last calendar day of each month (each, a "**Valuation Day**") will generally be available by the 25th Business Day after the relevant month (*see* Section VII, "*Determination of Net Asset Value*" of this Memorandum). Prospective Shareholders will therefore not know the applicable Net Asset Value per Share of their subscription until after their subscription has been accepted. Prospective Shareholders are required to subscribe the aggregate purchase price for Shares in the relevant currency and the number of Shares that such subscriber receives will subsequently be determined based on the Net Asset Value per Share of the relevant Class as of the time such investment was accepted by KIT (e.g., a Shareholder admitted to KIT as of July 1st of a calendar year, whose investment is based on KIT's Net Asset Value as of June 30th of such year, will learn of such Net Asset Value and the corresponding number of Shares represented by their subscription around August 5th of that year).

To be accepted, a subscription request must be made with a completed and executed Application Form in good order, including (a) satisfying any additional requirements imposed by the subscriber's broker-dealer or any other relevant financial intermediary, (b) satisfying the know-your-client (KYC), terrorist financing and anti-money laundering checks carried out by the Fund or its service providers, and (c) payment of the full purchase price of the Shares being subscribed.

Payments shall be made in the currency in which the relevant Class of Shares is denominated.

Eligible Shareholders

The Application Form requires prospective applicants for Shares to represent and warrant that, among other things, they are able to acquire and hold Shares without violating applicable laws.

Shares may not be offered, subscribed for by or issued to any Person that is not a Qualified Investor. Shares will generally be offered in the EEA to Professional Investors but may, as determined by the General Partner in its sole discretion, be made available to Persons that are Retail Investors in certain EEA countries subject to applicable law, and in particular may be offered to Semi-Professional Investors in Germany.

The Shares may not be offered, issued or transferred to any Person in circumstances which, in the opinion of the General Partner, might result in KIT incurring any liability to taxation or suffering any other disadvantage which KIT might not otherwise incur or suffer, or would result in KIT or the General Partner or its Affiliates being required to register under any applicable U.S. securities laws.

Shares may generally not be issued or transferred to any U.S. Person, except that the General Partner may authorise the issue or transfer of Shares to or for the account of a U.S. Person; *provided that*:

(a) such issue or transfer does not result in a violation of the 1933 Act or the securities laws of any of the states of the United States;

(b) such issue or transfer will not require the Fund or KIT to register under the 1940 Act;

(c) such issue or transfer will not cause any assets of the Fund or KIT to be "plan assets" for the purposes of ERISA; and

(d) such issue or transfer will not result in any adverse regulatory or tax consequences to the Fund or KIT, or its Shareholders or the General Partner or its Affiliates.

Furthermore, the Shares may not be transferred to a Person that is not a Qualified Investor and any transfer not made in accordance with the foregoing shall be null and void.

Each applicant for and transferee of Shares who is a U.S. Person will be required to provide such representations, warranties or documentation as may be required to ensure that these requirements are met prior to the issue, or the registration of any transfer, of Shares.

Shareholders may transfer part or all of their Shares with the prior consent of the General Partner or its delegate, which may be approved or refused in its sole discretion; *provided that* the General Partner will not approve any transfer to a Person that is not a Well-Informed Investor. Any transferee must provide the Administrator with a duly completed Application Form, any required AML/KYC documents and any additional information, representation or documentation as requested by the General Partner or its delegate, including the Administrator, in connection with the transfer and by the transferee's broker or other financial intermediary, as applicable.

To the extent that Shares are recommended, offered or sold to Well-Informed Investors residing, domiciled or having a registered office in the EEA that are Retail Investors, a Key Information Document (KID) will be provided to such investors in accordance with the PRIIPs Regulation.

Acceptance of Subscriptions

Subscriptions may be accepted from time to time in the General Partner's sole discretion. Notwithstanding anything else herein, the General Partner may accept, delay acceptance or reject subscriptions in its sole discretion, including choosing to reject or delay acceptance of all subscriptions for a given month, which could result in subscriptions being accepted on a day other than the first calendar day of the month. The Fund shall additionally not permit short-term (market-timing) or other excessive trading practices, which may disrupt the Fund's or any sub-funds, including KIT's, portfolio management strategies and harm its performance. To minimize harm to the Fund or any sub-fund, including to KIT, and the Shareholders, the General Partner has the further right to reject any subscription, purchase or conversion order (see below) from any subscriber who is engaging in excessive trading or has a history of excessive trading or if a subscriber's trading, in the opinion of the General Partner, has been or may be disruptive to the Fund or any sub-fund, including KIT. The Fund, the General Partner, the AIFM, the Investment Manager or any of their Affiliates will not be liable for any loss resulting from rejected orders.

Suspension of Subscriptions

The General Partner will suspend the issue of Shares of any sub-fund, including KIT, or any Class thereof whenever the determination of the Net Asset Value of such sub-fund or Class is suspended as described in Section VII, "*Determination of Net Asset Value*" of this Memorandum. In addition, the issuance of Shares in any sub-fund, including KIT, shall be prohibited (i) during any period in which a Depositary is not engaged by the Fund and (ii) at any such time as the Depositary is put into liquidation or declared bankrupt or seeks (x) an arrangement with creditors, (y) a suspension of payments or (z) a controlled management or (iii) is subject to any similar proceedings.

Irrevocability of Subscriptions

Any request for subscriptions shall be irrevocable and may not be withdrawn by any Shareholder in any circumstances, save in the event of a suspension of the determination of the Net Asset Value of the relevant sub-fund or Class as well as in case of late subscription orders until the cut-off provided above. In the event of a suspension of the determination of the Net Asset Value of KIT, the Fund will process any subscription requests not revoked on the first applicable Subscription Day following the end of the period of suspension.

Confirmation of Subscriptions

Confirmation of completed subscriptions (indicating the total number of full and fractional Shares issued to the subscriber as of the applicable Subscription Day) will be sent to the subscriber at the address provided in the Application Form as soon as reasonably practicable.

V. REDEMPTIONS

Redemption Rights

Subject to the restrictions provided in this Memorandum, Shareholders may submit a Redemption Request to redeem some or all of their Shares with effect as of any Redemption Day commencing on September 30, 2024 (or such earlier date as may be determined by the General Partner and notified to Shareholders). Shares will be redeemed at the Net Asset Value per Share of the applicable Class determined as of the Redemption Day for which the Redemption Request has been accepted subject to any applicable Early Redemption Deductions as described below.

The aggregate Net Asset Value of total permitted redemptions (on an aggregate basis (without duplication)) across KIT and each of its Classes is generally limited to 5% of the Net Asset Value of KIT per calendar quarter (measured using the average of the Net Asset Value of KIT as of the end of the immediately preceding three months and taking into account any applicable Early Redemption Deductions), except in the exceptional circumstances described below.

Redemptions of Shares on any Redemption Day pursuant to a Redemption Request shall be made at the then-current Net Asset Value per Share of the applicable Class of Shares. Shareholders will not know the Net Asset Value per Share, and therefore the amount of their redemption proceeds, until approximately 25 Business Days after the Redemption Day. Because investors must submit a Redemption Request at least two Business Days before the last calendar day of the month preceding a Redemption Day, they also will not know the Net Asset Value per Share for more than one month preceding the Redemption Day at the time their Redemption Request is submitted.

In the event that, pursuant to the limitations above, not all of the Shares submitted for redemption during a given quarter are to be accepted for redemption by KIT, Shares submitted for redemption during such quarter will be redeemed on a *pro rata* basis relative to the size of the relevant request. Unsatisfied Redemption Requests will be automatically resubmitted for the next available Redemption Day and redeemed on a *pro rata* basis together with any other Redemption Requests made in respect of such Redemption Day, unless any such Redemption Request is withdrawn or revoked by a Shareholder on or before the Redemption Notice Day (as defined below) for such Redemption Day.

If a redeeming Shareholder, who invested in KIT for its own account, owns Shares of more than one Series of the Class being redeemed, such Shares will be deemed to be redeemed on a "first-in-first-out" basis. If a redeeming Shareholder invested in KIT as a nominee on behalf of underlying investors, it must indicate in its Redemption Request the relevant Series of Shares to be redeemed.

In exceptional circumstances and not on a systematic basis, the General Partner may make exceptions to, modify or suspend, in whole or in part, KIT's redemption program if in the General Partner's good faith judgment it deems such action to be in KIT's best interests and the best interests of KIT investors, such as when redemptions of Shares would place an undue burden on KIT's liquidity, adversely affect KIT's operations, risk having an adverse impact on KIT that would outweigh the benefit of redemptions of Shares or as a result of legal or regulatory changes. Shareholders shall be notified promptly of any suspensions of the KIT redemption program or in the event that there are any material changes to the redemption terms or procedures set forth above, including but not limited to any material change in the total permitted redemptions in each calendar quarter. Furthermore, if the redemption program is suspended, the General Partner will be required to evaluate on a regular basis whether the continued suspension of the redemption program is in KIT's best interest and the best interest of the Shareholders.

In addition, redemption of Shares of any sub-fund, including KIT, shall be prohibited (i) during any period in which a Depositary is not engaged by the Fund and (ii) at any such time as the Depositary is put into liquidation or declared bankrupt or seeks (x) an arrangement with creditors, (y) a suspension of payments or (z) a controlled management or (iii) is subject to any similar proceedings.

Prior Notice Requirements

If a Redemption Request is to be executed at the Net Asset Value per Share of the applicable Class prevailing on a Redemption Day, a properly completed and executed Redemption Request application form must be received by the Administrator at least two Business Days before the last calendar day of the month preceding the relevant Redemption Day (the "**Redemption Notice Day**") (e.g., a Shareholder

requesting a June 30th redemption must submit its Redemption Request by May 29th; *provided that* late redemption applications may be accepted in the General Partner's sole discretion. Any such Redemption Request received after the Redemption Notice Day will be executed on the basis of the Net Asset Value per Class calculated on the next following Redemption Day. KIT will redeem Shares with no priority given based on time of receipt of the Redemption Request.

The redemption application must indicate the number and Class of Shares to be redeemed (including, with respect to Shareholders acting as nominees on behalf of underlying investors, the relevant Series of Shares to be redeemed), TA Account number, name of account holder and fund identifier. Settlement will be made using the payment details provided on the Application Form.

Early Redemption Deduction

The redemption price per Share of any Class shall be subject to a discretionary early redemption deduction of up to 2% of the relevant Net Asset Value per Share of the Shares being redeemed (an "**Early Redemption Deduction**") if the applicable Redemption Day falls within 12-months of the Subscription Day applicable to the Shares being redeemed (e.g., if a Shareholder subscribes for Shares on June 1, 2024, if that Shareholder submits a Redemption Request for the Redemption Day occurring prior to June 1, 2025, such Shareholder's Shares will be subject to the above-described 2% redemption deduction).

Any Early Redemption Deduction will primarily inure to the benefit of KIT. KIT may, from time to time, waive the Early Redemption Deduction in the sole discretion of the General Partner generally or with respect to specific investors, including without limitation in the case of redemptions resulting from death, qualifying disability or divorce or where operational, administrative, regulatory and/or system limitations prohibit the Early Redemption Deduction from being properly applied.

All questions as to the applicability of the Early Redemption Deduction including the specific facts pertaining thereto and the validity, form, eligibility (including time of receipt of required documents) of a waiver from the Early Redemption Deduction will be determined by the General Partner, in its sole discretion, and its determination shall be final and binding.

In circumstances where a redeeming Shareholder holds Shares issued as of different Subscription Days, such Shares will be redeemed in the order in which they were issued starting with the earliest applicable Subscription Day for the purposes of determining if any Early Redemption Deduction applies thereto.

The Early Redemption Deduction will not apply during an MAE Amendment Notice Period (as described below).

Minimum Holding Amount

If as a result of a redemption, the value of a Shareholder's holding of Shares would become less than the Minimum Subscription and Holding Amount, the General Partner may decide that the redeeming Shareholder shall be deemed to have requested the redemption of all of its Shares. The General Partner may also at any time decide to compulsorily redeem all Shares from any Shareholder whose holding is less than such minimum holding amount. Before any such compulsory redemption, Shareholders concerned will receive one month's prior notice to increase their holding above the applicable minimum holding amount at the applicable Net Asset Value per Share.

Redemption Charge

Other than with respect to any Early Redemption Deduction, there is no redemption charge applicable to redemptions of any Class offered by KIT pursuant to this Memorandum. Additional Classes established in the future in respect of KIT may be subject to such charges.

Redemption Price Per Share

The redemption price per Share of a Class is the Net Asset Value per Share of such Class, determined as at the relevant Valuation Day in respect of which the applicable Redemption Request has been accepted, subject to any applicable Early Redemption Deduction.

Payment of Redemption Proceeds

Except in the event of suspension of the calculation of the Net Asset Value or in the event of extraordinary circumstances, such as, for example, an inability to liquidate existing positions, or the default or delay in payments due to KIT from brokers, banks or other persons, payment of redemptions will be made within a reasonable time and provided KIT or its service providers, as applicable, have received all the documents certifying the redemption, the General Partner expects that settlements of Share redemption proceeds will generally be made within 28 Business Days of the Redemption Day (e.g., a Shareholder requesting a June 30th redemption would generally be expected to receive a settlement on or around August 8th of that year). Shareholders whose Redemption Requests are accepted will cease to be Shareholders in respect of the redeemed Shares as of such Redemption Day and will therefore cease to be entitled to the rights of a Shareholder in respect of the redeemed Shares as of such date, including the right to receive distributions, and will not be entitled to interest on redemption payments.

Redemption proceeds will generally be paid in cash but KIT may make in-kind redemption payments in the General Partner's sole discretion. In the event that any payments of in-kind redemption proceeds are made, the independent auditor of KIT shall establish a report to value the in-kind redemption. The costs associated with such in-kind redemptions (in particular the report of KIT's independent auditor) shall be borne by the redeeming Shareholder or a third party but will not be borne by KIT unless the General Partner considers that the redemption in kind is in the interest of KIT or made to protect the interest of the Shareholders.

Investors should note that any redemption of Shares by KIT will take place at a Net Asset Value per Share that may be more or less than the Shareholder's original purchase price for such Shares, depending upon the value of the assets of KIT at the time of such redemption.

Proceeds received by KIT in respect of subscriptions for Shares may be used to fund payments of Share redemption proceeds.

Compulsory Redemption of Shares

If the General Partner determines at any time that any owner or beneficial owner of Shares is a Prohibited Person (as defined below), either alone or in conjunction with any other Person, whether directly or indirectly, the General Partner may at its discretion and without liability, compulsorily redeem (in whole or in part) such Shares in accordance with the Articles, and upon redemption, the Prohibited Person will cease to be the owner of those Shares. For the avoidance of doubt, in the case of a Shareholder holding Shares which can be allocated to several beneficial owners, such compulsory redemption may be applied to the part of the portion of such Shares allocable to the beneficial owner qualifying as a Prohibited Person.

In addition, in the case of a Prohibited Person where (i) the holding by such Shareholder in a particular Class has fallen below the minimum investment and holding requirement for that Class as described above, (ii) a Shareholder does not meet or ceases to meet investor eligibility criteria and conditions set out in this Memorandum and in the Application Form, or (iii) Shareholders are not otherwise entitled to acquire or possess these Shares, the General Partner is also entitled to redeem the Shares of the Prohibited Person.

The General Partner may require any Shareholder to provide it with any information that it may consider necessary for the purpose of determining whether or not such owner of Shares is or will be a Prohibited Person and may assume that a Shareholder is or will be a Prohibited Person where such information is not provided.

Further, Shareholders shall have the obligation to immediately inform KIT to the extent the ultimate beneficial owner of the Shares held by such Shareholders becomes or will become a Prohibited Person.

For the above purposes, a "**Prohibited Person**" shall mean any Person (i) that is not a Qualified Investor, (ii) not eligible as an investor for a Class of Shares or, (iii) if in the sole opinion of the General Partner, the holding of Shares (including the beneficial ownership of such Shares) by such Person may be detrimental to the interests of the existing Shareholders, the Fund, KIT, the General Partner, the AIFM, the Investment Manager, KKR or their Affiliates, may result (either individually or in conjunction with other investors in the same circumstances) in a breach of any law or regulation, whether in Luxembourg

or elsewhere, or may result in any such parties becoming exposed to regulatory, tax, economic or reputational damages, obligations, disadvantages, fines or penalties that they would not have otherwise incurred.

Sub-section "— *Payment of Redemption Proceeds*" above shall apply to compulsory redemptions.

Revocability of Redemption Requests

Except as provided in sub-section "— *Redemption Rights*" above, applications for redemptions of Shares are irrevocable and may not be withdrawn by any Shareholder in any circumstances, except in the event of a suspension of the determination of the Net Asset Value of KIT or any Class of KIT. In the event of such a suspension, the Shareholders of KIT or any Class of KIT, as applicable, who have made a Redemption Request, may give written notice to the Fund that they wish to withdraw their application.

VI. CONVERSIONS

Shares of any Class of any sub-fund, including KIT, may be converted into Shares of any other Class of the same sub-fund or of any other sub-fund upon written instructions addressed to the Administrator; *provided that* the conditions of access and eligibility which apply to the relevant Class are fulfilled. Shareholders may be requested to bear the difference between any Subscription Fee applicable to the Class of Shares they leave and the Class of Shares of which they become Shareholders, should the Subscription Fee of the Class into which the Shareholders are converting their Shares be higher than the Subscription Fee of the Class they leave.

Conversion orders received prior to the relevant subscription cut-off time applicable to a sub-fund will be dealt with on the basis of the relevant Net Asset Value per Class established on the relevant Valuation Day. Conversion requests received after the relevant cut-off time will be dealt with on the basis of the Net Asset Value per Class of the next applicable Valuation Day. Conversion of Shares will only be made on a Valuation Day if the Net Asset Value per Class of both sub-funds is calculated on that day.

The General Partner will determine the number of Shares into which a Shareholder wishes to convert its existing Shares in accordance with the following formula:

$$A = \frac{[(B \times C) - D]}{E} \times EX$$

A = The number of Shares in the new sub-fund or new Class of the same sub-fund to be issued

B = The number of Shares in the original sub-fund or in the original Class of the same sub-fund

C = The Net Asset Value per Share in the original sub-fund or in the original Class of the same sub-fund

D = The conversion fee, if any, which is equal to up to 0.5% of BxC.

E = The Net Asset Value per Share of the new sub-fund or new Class of the same sub-fund

EX: being the exchange rate on the conversion day in question between the currency of the sub-fund or the Class to be converted and the currency of the sub-fund or the Class to be assigned. In the case no exchange rate is needed the formula will be multiplied by 1.

Irrevocability of Conversion Requests

Any request for conversions shall be irrevocable and may not be withdrawn by any Shareholder in any circumstances, except in the event of a suspension of the determination of the Net Asset Value of the relevant sub-fund or Class. In the event of a suspension, the Fund will process any conversion requests not revoked on the first applicable Valuation Day following the end of the period of suspension.

Conditions

Acceptance of any application for conversion is contingent upon the satisfaction of any conditions (including any minimum subscription and prior notice requirements) applicable to the Class into which the conversion is to be effected. If as a result of a conversion, the value of a Shareholder's holding in the new Class would be less than any minimum subscription amount applicable to such Class, the General Partner may decide not to accept the conversion request. If as a result of a conversion, the value of a Shareholder's holding in the original Class would become less than the minimum holding applicable to such Class, the General Partner may decide that such Shareholder shall be deemed to have requested the conversion of all of its Shares.

Conversion Value

The number of full and fractional Shares issued upon conversion is determined on the basis of the Net Asset Value per Share of each Class concerned on the common Valuation Day on which the conversion request is affected. If there is no common Valuation Day for any two Classes, the conversion will be made on the basis of the Net Asset Value calculated on the next following Valuation Day of the Class of

Shares to be converted and on the following Valuation Day of the Class into which the Shares are to be converted, or on such other days as the General Partner may reasonably determine.

Compulsory Conversions

If a Shareholder of a given Class accumulates a number of Shares of that Class with an aggregate Net Asset Value equal to or in excess of the minimum subscription amount of a parallel Class within the same sub-fund and such parallel Class is subject to a lower fee structure, the General Partner may in its discretion and upon information provided to the Shareholders, offer such Shareholder the ability to convert its Shares into Shares of the parallel Class with such lower fee structure. A "parallel class" within a sub-fund is a Class that is identical in all material respects (including investment objective and policy) save for the minimum subscription amount and fee structure applicable to it. In addition, the General Partner has agreed by way of a side letter with a Founder Shareholder that such Shareholder's Founder Shares will be converted automatically to Shares of a fee-paying Class after a specified time period, and such conversion shall not be subject to any conversion fees specified in this Section VI.

Conversion Fee

To cover any transaction costs that may arise from the conversion, the General Partner in its sole discretion may charge a conversion fee of up to 0.5% of the Net Asset Value of the Shares to be converted, to be shared amongst the Classes or sub-funds between which the conversion is effected. The same conversion fee will be charged in respect of all conversions of a Class or sub-fund executed on the same common Valuation Day.

VII. DETERMINATION OF NET ASSET VALUE

Allocation of Assets and Liabilities among Sub-Funds

The Fund constitutes a single legal entity but the assets of each sub-fund, including KIT, shall be invested for the exclusive benefit of the Shareholders of the corresponding sub-fund and the assets of a specific sub-fund are solely accountable for the liabilities, commitments and obligations of that sub-fund.

The Fund will establish a separate pool of assets and liabilities in respect of each sub-fund and the assets and liabilities of the Fund shall be allocated in the following manner:

(a) if a sub-fund issues two or more Classes of Shares, the assets attributable to such Classes shall be invested in common pursuant to the specific investment objective, policy and restrictions of the sub-fund concerned;

(b) within any sub-fund, the General Partner may determine to issue Classes subject to different terms and conditions, including, without limitation, Classes subject to (i) a specific distribution policy entitling the holders thereof to distributions (i.e., "Distribution" Class Shares) or no distributions (i.e., "Accumulation" Class Shares), (ii) specific subscription and redemption charges, (iii) a specific management fee or incentive fee structure, (iv) a different functional currency and/or (v) other distinct features;

(c) the net proceeds from the issuance of Shares of a Class are to be applied in the books of the Fund to such Class and the assets and liabilities and income and expenditure attributable thereto are applied to such Class subject to the provisions set forth below;

(d) where any income or asset is derived from another asset, such income or asset is applied in the books of the sub-fund to the same sub-fund or Class as the asset from which it was derived and on each revaluation of an asset, the increase or diminution in value is applied to the relevant sub-fund or Class;

(e) where the Fund incurs a liability that relates to any asset of a particular sub-fund or Class or to any action taken in connection with an asset of a particular sub-fund or Class, such liability is allocated to the relevant sub-fund or Class;

(f) if any asset or liability of the Fund cannot be considered as being attributable to a particular sub-fund or Class, such asset or liability will be allocated to all the sub-funds or Classes *pro rata* to their respective Net Asset Values, or in such other manner as the General Partner, acting in good faith, may decide; and

(g) upon the payment of distributions to the holders of any Class of Shares, the Net Asset Value of such Class shall be reduced by the amount of such distributions.

Determination of Net Asset Value per Share

In each sub-fund and/or Class, including KIT and each Class of Shares in KIT, respectively, the Net Asset Value per Share of such sub-fund and/or Class is determined in the Reference Currency (to two decimal places) as at each Valuation Day by dividing the net assets attributable to each sub-fund and/or Class by the total number of Shares of such sub-fund and/or Class then outstanding and is then converted, as applicable, to the currency in which the relevant Class is denominated (if other than the Reference Currency).

As the Net Asset Value per Share of any sub-fund and/or Class will be determined after the day on which Share subscription, redemption or conversion requests are made, investors will not know the total number of whole and fractional Shares which they will be issued, nor the net redemption value of their Shares as at the day on which their request for subscription, redemption or conversion is made.

The net assets of the sub-fund and/or Class consist of the value of the total assets attributable to such sub-fund and/or Class less the total liabilities attributable to such sub-fund and/or Class, calculated at such time as the General Partner shall have set for such purpose. The calculation of the fair market value of any investment or of any other KIT asset or the value of any KIT liability (including as held through the KIT Aggregator) will be made in good faith by the AIFM and will be calculated as follows:

(a) Portfolio investments and other assets for which market quotes are readily available are valued at market value. Market value is generally determined on the basis of mid-price between the last reported bid and offer prices, or if no such prices are reported, based on quotes obtained from a quotation reporting system, established market makers or pricing services. Short-term investments having a maturity of 60 days or less are generally valued at amortized cost. Securities and other assets for which market quotes are not readily available are valued at fair value as determined in good faith by the AIFM (in consultation with the Investment Manager) or persons acting at its direction. The AIFM has adopted methods for valuing securities and other assets in circumstances where market quotes are not readily available and has designated the Investment Manager as the party responsible for applying the valuation methods. In such circumstances, securities may not be priced on the basis of quotes from the primary market in which they are traded, but rather may be priced by another method that the AIFM or persons acting at its direction, including the Investment Manager, believe accurately reflects fair value. Fair value pricing may require subjective determinations about the value of a security.

(b) Domestic and foreign fixed-income instruments and non-exchange traded derivatives are normally valued on the basis of quotes obtained from brokers and dealers or pricing services using data reflecting the earlier closing of the principal markets for those securities. Bank loans, including senior secured floating rate and fixed-rate loans, are valued by using readily available market quotations or another commercially reasonable method selected by an independent, third-party pricing service that has been approved by the AIFM (or its delegate), or, if such independent, third-party valuations are not available, by using broker quotations. Senior secured adjustable, variable or floating rate loans for which an active secondary market exists to a reliable degree will be valued at the bid-ask price in the market for such loans, as provided by a loan pricing service. It is not required that fair value always be a predetermined point in the bid-ask range; the AIFM's policy will allow for mid-market pricing and adjusting to the point within the bid-ask range that meets the best estimate of fair value. Directly originated loans are valued on an individual loan level by an independent, third-party pricing service that has been approved by the AIFM (or its delegate), and fair valuation of such loans will be performed using inputs that incorporate borrower level data, including significant events affecting the issuer or collateral and market developments. Prices obtained from independent pricing services use information provided by market makers or estimates of market values obtained from yield data relating to investments or securities with similar characteristics. Exchange traded options, futures and options on futures are valued at the settlement price determined by the relevant exchange. The value of swaps, including credit default swaps, total return swaps and interest rate swaps will be determined by obtaining at least one dealer quotation (including information from counterparties) or valuations from third-party pricing services. If no quotations or valuations are available, or if such quotations or valuations are believed to be unreliable, swaps will be fair valued pursuant to procedures adopted by the AIFM.

(c) The AIFM will normally use pricing data for U.S. and non-U.S. equity securities received shortly after the close of the primary securities exchange on which such securities trade and does not normally take into account trading, clearances or settlements that take place after the close of the exchange.

(d) If events materially affecting the price of non-U.S. portfolio securities occur between the time when their price was last determined on such non-U.S. securities exchange or market and the time when the relevant Net Asset Value was last calculated (for example, movements in certain U.S. securities indices which demonstrate strong correlation to movements in certain non-U.S. securities markets), such securities may be valued at their fair value as determined in good faith in accordance with procedures established by the AIFM.

(e) For purposes of calculating Net Asset Value, all assets and liabilities initially expressed in foreign currencies will be converted into U.S. dollars at prevailing exchange rates as may be determined in good faith by, or under the supervision of, the AIFM.

(f) Notwithstanding the above, any portfolio investments comprising interests in Other KKR Funds (for example, the investment by KIT in K-FIT) or any investment funds or vehicles managed or advised by any third party ("**Fund Investments**") are generally valued based on the latest net asset value reported or provided by the Fund Investment which will be determined by the issuer of such Fund Investment on the basis of the valuation policies adopted by and otherwise

applicable to such issuer. If the latest net asset value is not available at the time the AIFM is calculating any Net Asset Value, the AIFM will update the last available net asset value by recognizing any cash flow activity for the Fund Investment during the month. Cash flows since the reference date of the last net asset value received from such Fund Investment are recognised by adding the nominal amount of the investment related capital calls or comparable payments and deducting the nominal amount of investment related distributions from the net asset value as reported.

(g) When the Fund determines Net Asset Value as of a day of a month that is not also the last day of a calendar quarter, the Fund intends to update the value of securities with reliable market quotations to the most recent market quotation. For securities without reliable market quotations, the AIFM's (or the Investment Manager's as its delegate) valuation team will generally value such assets at the most recent quarterly valuation unless the AIFM (or the Investment Manager as its delegate) determines that a significant observable change has occurred since the most recent quarter-end with respect to the relevant investment (which determination may be as a result of a material event at a Portfolio Company, material change in market spreads, secondary market transaction in the securities of an investment or otherwise). If the AIFM (or the Investment Manager as its delegate) determines such a change has occurred with respect to one or more investments, the AIFM (or the Investment Manager as its delegate) will determine whether to update the value for each relevant investment using a range of values from an independent valuation firm, where applicable, in accordance with the AIFM's valuation policy. Additionally, the AIFM (or the Investment Manager as its delegate) may otherwise determine to update the most recent quarter-end valuation of an investment without reliable market quotations that the AIFM (or the Investment Manager as its delegate) considers to be material to the Fund using a range of values from an independent valuation firm.

(h) Any other securities and assets will be valued at fair market value as determined in good faith pursuant to procedures established by the AIFM.

(i) Although the Fund's policy is intended to result in a calculation of Net Asset Value of each sub-fund and Class that fairly reflects security values as of the time of pricing, the Fund cannot ensure that fair values determined by the AIFM or persons acting at its direction, including the Investment Manager, would accurately reflect the price that the Fund could obtain for a security if it were to dispose of that security as of the time of pricing (for instances, in a forced or distressed sale). The prices used by the Fund may differ from the value that would be realized if the securities were sold. The AIFM is authorised to apply other generally recognised valuation principles for the assets of the Fund and each sub-fund, including KIT, if the valuation principles set forth above appear impossible to apply in the circumstances or inappropriate for the assets concerned. The Administrator, acting upon the recommendations provided by the Investment Manager and under the supervision of the AIFM and the General Partner shall make all reasonable efforts to correctly assess the value of all portfolio investments based on the information made available to it (including any estimated net asset values of any underlying Fund Investments), and such valuations are binding upon the Fund and each sub-fund and its Shareholders absent manifest error.

The Fund will not have any control over the valuation methods and accounting rules adopted by any Fund Investments in which a sub-fund may invest (including, with respect to KIT, the valuation methodology adopted by K-FIT) and no assurance can be given that such methods and rules will at all times allow the Fund to correctly assess the value of its assets and investments and none of the Fund, the General Partner, the AIFM or the Investment Manager or their Affiliates will have such control with respect to the valuation methods and accounting rules adopted by the Fund Investments not managed by KKR or its Affiliates in which a sub-fund may invest. In this regard, it should be noted that the value of KIT's investment in K-FIT will be determined by K-FIT on the basis of the K-FIT Manager's valuation policy as approved by the K-FIT Board. Such valuation policy currently is broadly similar but not identical to the valuation policies applicable to KIT as described in this section. Among other things, the net asset value of K-FIT and its shares is determined in accordance with U.S. GAAP and not Lux GAAP. The K-FIT Board has delegated responsibility for the valuation of K-FIT and its shares to the K-FIT Manager.

If the value of a sub-fund's assets is adjusted after any Valuation Day (as a consequence, for instance, of any adjustment made by an underlying Fund Investment to the value of its own assets), the AIFM will not

be required to revise or recalculate the Net Asset Value of any sub-fund on the basis of which subscriptions, redemptions or conversions of Shares of the sub-fund may have been previously accepted.

In any sub-fund, including KIT, the General Partner and/or the AIFM may determine to establish reserves which may be caused by revaluation of assets and make provisions for contingencies.

The AIFM will be responsible for the proper and independent valuation of the assets of the Fund and each sub-fund, including KIT. The Investment Manager will provide valuation advice and assist the AIFM in the valuation of the assets of the Fund and each sub-fund, while the AIFM ensures that the valuation function is independent from the Investment Manager, and performed in accordance with article 17(4) of the 2013 Law.

The net asset value of the KIT Aggregator and its interests will be determined in the same manner as described above. In the event any Parallel Vehicle is established, such Parallel Vehicle will subscribe for and redeem its interests in the KIT Aggregator based on the net asset value at the relevant subscription or redemption date. In the event that, in particular, the valuation of any asset determined as described above is greater or lesser than the actual amounts realized from such investment, KIT or such Parallel Vehicle may be adversely affected. None of the General Partner, the AIFM or the Investment Manager shall be liable with respect to any net asset value determined in good faith by such Person. *See also* sub-section *"Valuations"* in Section XII*, "Risk Factors"* below.

Temporary Suspension of Net Asset Value Calculations and of Issues, Conversion and Redemption of Shares

The General Partner may suspend the determination of the Net Asset Value of any sub-fund or Class (including the Net Asset Value of KIT and any of its Classes) and hence the issuance, the redemption and the conversion of Shares of such sub-fund or Class:

- during any period (other than ordinary holidays or customary weekend closings) when any market or stock exchange is closed, which is the main market or stock exchange for any of the sub-fund's investments, or in which trading therein is restricted or suspended; or

- during any period when an emergency exists as a result of which it is impossible to dispose of investments that constitute assets of a sub-fund; or

- during any breakdown in the means of communication normally employed in determining the price of any of the sub-fund's investments or of current prices on any stock exchange; or

- when for any reason the prices of any investment owned by the sub-fund cannot be reasonably, promptly or accurately ascertained; or

- during a period when remittance of monies that will or may be involved in the purchase or sale of any of the sub-fund's investments cannot, in the opinion of the General Partner, be carried out at normal rates of exchange; or

- following a decision to liquidate or dissolve the Fund or one or several sub-funds; or

- whenever exchange or capital movement restrictions prevent the execution of transactions on behalf of the Fund or sub-fund or in case purchase and sale transactions of the Fund's or sub-fund's assets are not realizable at normal exchange rates; or

- during any period when the Net Asset Value of one or more Fund Investments, in which a sub-fund has invested (including KIT's investment in K-FIT) and the units or the shares of which constitute a significant part of the assets of the sub-fund, cannot be determined accurately (including, but not limited to, as a result of a corresponding suspension by such Fund Investment of the determination of its own net asset value) so as to reflect their fair market value as at the Valuation Day.

Any such suspension shall be notified to the existing Shareholders of the relevant sub-fund (including Shareholders of KIT, if applicable), as well as to the Shareholders requesting subscription, conversion or redemption of effected Shares on the day following their request. Pending subscription, conversion and Redemption Requests can be withdrawn after written notification as long as these notifications reach the

Fund before the end of the suspension. Pending requests will be considered on the first Subscription Day, Redemption Day or Valuation Day (as applicable) following the end of the suspension.

VIII. FEES AND EXPENSES; ACCOUNTING; REPORTING; SHAREHOLDER MATTERS

Management Fee

In consideration for its services in respect of KIT, the AIFM will be entitled to payment of a management fee (the "**Management Fee**") equal to, in the aggregate, 1.25% per annum of the Net Asset Value of each Class other than Class E and Class F accruing monthly and payable quarterly in arrears and based on the average Net Asset Value of each such Class for each month in the relevant quarter. The average Net Asset Value of any Class for any month for these purposes will be the average of (i) the month-end Net Asset Value for such month before giving effect to any accruals for the Management Fee, the Servicing Fee (as defined below), Incentive Fees (if any) as described below, Share redemptions for that month, any distributions to Shareholders and any impact to Net Asset Value solely caused by currency fluctuations and/or currency hedging activities for non-U.S. dollar Classes and (ii) the Net Asset Value of such Class as of the first Subscription Day of such month, which will be based on the month-end Net Asset Value for the immediately preceding month *after* giving effect to each of the above items in respect of such preceding month, adjusted to reflect Share subscriptions effective as of such Subscription Day. The Management Fee applicable to each Class will be reduced on a dollar-for-dollar basis by management fees accruing to the K-FIT Manager in respect of each month during the relevant quarter to the extent allocable to KIT's interest in K-FIT.

Shareholders who hold Class E Shares, which are available for Other KKR Funds will not bear any portion of the Management Fees payable with respect to KIT. In addition, such Shareholders will be entitled pursuant to separate profit share agreements entered into with the K-FIT Manager to participate in certain economics of the K-FIT Manager which could mitigate in whole or in part the impact of management fees accruing to the K-FIT Manager on such Class E Shareholders.

Shareholders who hold Class F Shares, which are available to "Founder" Shareholders will not bear any portion of the Management Fees payable with respect to KIT. In addition, such Shareholders will be entitled pursuant to separate profit share agreements entered into with the K-FIT Manager to participate in certain economics of the K-FIT Manager which could mitigate in whole or in part the impact of management fees accruing to the K-FIT Manager on such Class F Shareholders. For example, the Investment Manager has entered into a profit share agreement with a Founder Shareholder pursuant to which the Investment Manager has agreed to pay such Shareholder certain fees that are calculated based on the amount of such Shareholder's investment in KIT and the amount of Shares that affiliates of such Shareholder placed (indirectly) in the Sub-Fund, respectively.

In consideration of the portfolio management services to be provided by the Investment Manager in respect of KIT, the Fund will pay to the Investment Manager a portion of the Management Fee (such portion of the Management Fee, the "**Delegate Management Fee**"). For the avoidance of doubt, the Delegate Management Fee payable by the Fund will reduce the amount of the Management Fee payable to the AIFM.

The AIFM has agreed to waive the Management Fee through March 31, 2025, or such later date as may be determined by the General Partner and notified to Shareholders.

Incentive Fee

The Investment Manager will be entitled to an incentive fee ("**Incentive Fee**") payable out of the assets of KIT consisting of two components that are independent of each other, with the result that one component may be payable even if the other is not. A portion of the Incentive Fee is based on a percentage of KIT's income and a portion is based on a percentage of KIT's capital gains, each as described below. The Incentive Fee will be borne by each Class of KIT other than Class E Shares and Class F Shares.

Incentive Fee Based on Income

The first part of the Incentive Fee, referred to as the "**Incentive Fee on Income**," will accrue monthly and be payable quarterly in arrears, based on KIT's "**Look-Through Pre-Incentive Fee Net Investment Income**" for the immediately preceding quarter (or portion thereof with respect to the quarter in which KIT commenced its investment activities). The payment of the Incentive Fee on Income will be subject to a quarterly hurdle rate, expressed as a rate of return on the value of KIT's net assets at the end of the most

recently completed calendar quarter, of 1.25% (5.0% annualized) (the "**Hurdle Rate**"), subject to a "catch up" feature (as described below).

"**Look-Through Pre-Incentive Fee Net Investment Income**" means interest income, dividend income and any other income (including any other fees, other than fees for providing managerial assistance, such as commitment, origination, structuring, diligence and consulting fees or other fees that KIT receives from Portfolio Companies but excluding investment income distributions from K-FIT) accrued during the calendar quarter, *minus* KIT's operating expenses for the quarter (including the Management Fee and Sub-Fund Expenses reimbursed to the AIFM, the Investment Manager and their Affiliates, but excluding the Incentive Fee and any Servicing Fee and any related accruals).

Look-Through Pre-Incentive Fee Net Investment Income also includes, in the case of investments with a deferred interest feature (such as original issue discount debt instruments with payment-in-kind interest and zero coupon securities), accrued income that KIT has not yet received in cash. It is further "adjusted" to take into account on a "look-through" basis, KIT's allocable portion of K-FIT's pre-incentive fee net investment income for the relevant period. Such allocable portion of K-FIT's pre-incentive fee net investment income will be determined based on the percentage of outstanding K-FIT shares held by KIT during each month during the relevant quarterly period, as applicable. Look-Through Pre-Incentive Fee Net Investment Income does not include any realized capital gains, realized capital losses or unrealized capital appreciation or depreciation.

KIT will pay the Incentive Fee on Income quarterly in arrears with respect to its Look-Through Pre-Incentive Fee Net Investment Income in each calendar quarter as follows:

- No Incentive Fee on Income will be payable in any calendar quarter in which KIT's Look-Through Pre-Incentive Fee Net Investment Income does not exceed the Hurdle Rate;

- 100% of the U.S. dollar amount of KIT's Look-Through Pre-Incentive Fee Net Investment Income, if any, that exceeds the Hurdle Rate but is less than or equal to 1.43% in any calendar quarter (5.72% annualized) will be payable to the Investment Manager. This portion of KIT's Incentive Fee on Income that exceeds the Hurdle Rate but is less than or equal to 1.43% is referred to as the "catch up" and is intended to provide the Investment Manager with an incentive fee of 12.5% on all of KIT's Look-Through Pre-Incentive Fee Net Investment Income when KIT's Look-Through Pre-Incentive Fee Net Investment Income reaches 1.43% (5.72% annualized) on net assets in any calendar quarter; and

- 12.5% of the U.S. dollar amount of KIT's Look-Through Pre-Incentive Fee Net Investment Income, if any, that exceeds 1.43% (5.72% annualized) on net assets in any calendar quarter will be payable to the Investment Manager once the Hurdle Rate and catch-up have been achieved (12.5% of KIT's Look-Through Pre-Incentive Fee Net Investment Income thereafter will be paid to the Investment Manager).

Any Incentive Fee on Income payable in respect of a calendar quarter will be reduced on a dollar-for-dollar basis by any subordinated incentive fee on income accruing to the K-FIT Manager for each month in the relevant quarterly period (and such reductions shall be rolled forward to the following calendar quarter(s) and shall reduce the Incentive Fee on Income for such subsequent calendar quarter(s) to the extent not fully applied in any given quarter). Shareholders redeeming Shares at the end of a calendar quarter in respect of which any such reduction has not been fully applied, will not therefore benefit from the full amount of any such reduction in the determination of the Net Asset Value per Share applicable to such Share redemptions.

Investors should be aware that a rise in the general level of interest rates can be expected to lead to higher interest rates applicable to KIT's debt investments. Accordingly, an increase in interest rates would make it easier for KIT to meet or exceed the Hurdle Rate and may result in a substantial increase of the amount of Incentive Fee on Income payable to the Investment Manager with respect to Look-Through Pre-Incentive Fee Net Investment Income. Because of the structure of the Incentive Fee on Income, it is possible that KIT may pay Incentive Fees on Income in a calendar quarter in which KIT incurs an overall loss. For example, if KIT receives Look-Through Pre-Incentive Fee Net Investment Income in excess of the quarterly Hurdle Rate, KIT will pay the applicable Incentive Fee on Income even if KIT has incurred a loss in that calendar quarter due to realized and unrealized capital losses.

The Investment Manager has agreed to waive the Incentive Fee on Income through March 31, 2025, or such later date as may be determined by the General Partner and notified to Shareholders.

Incentive Fee Based on Capital Gains

The second part of the Incentive Fee, referred to as the "**Incentive Fee on Capital Gains**," is an incentive fee on capital gains and will accrue monthly and be payable annually in arrears as of the end of each calendar year (or upon termination of the Delegate Management Agreement) commencing with the end of the first calendar year of KIT. This fee will equal 12.5% of KIT's incentive fee capital gains, which will equal KIT's realized capital gains on a cumulative basis (excluding any realized capital gains earned in respect of K-FIT shares), calculated as of the end of the applicable period, computed net of all realized capital losses and unrealized capital depreciation (including any realized capital losses and unrealized capital depreciation on K-FIT shares) on a cumulative basis, less the aggregate amount of any previously accrued Incentive Fee on Capital Gains. "Capital gains" and "unrealized capital depreciation" for these purposes will mean capital gains and unrealized capital depreciation on all assets (excluding K-FIT shares as noted above) determined in accordance with U.S. GAAP.

For purposes of calculating the Incentive Fee on Capital Gains, on a monthly basis, KIT will accrue for the Incentive Fee on Capital Gains by calculating such incentive fee as if it were due and payable as of the end of such month. KIT will include unrealized gains in the calculation of the Incentive Fee on Capital Gains expense and related accrued Incentive Fee on Capital Gains. This accrual will reflect the Incentive Fees that would be payable to the Investment Manager if KIT's entire portfolio was liquidated at its fair value as of the balance sheet date even though the Investment Manager is not entitled to an incentive fee with respect to unrealized gains unless and until such gains are actually realized. The Incentive Fee on Capital Gains will not be reduced or otherwise adjusted to take into account incentive fees on capital gains accrued to the K-FIT Manager in respect of K-FIT shares held by KIT. Accordingly, the K-FIT Manager could receive such incentive fees from K-FIT in respect of a period in which KIT does not have cumulative realized capital gains and such amounts will be incremental to any Incentive Fee on Capital Gains payable to the Investment Manager in respect of any period in which KIT does have cumulative realized capital gains. The Investment Manager will not be obligated to return any portion of the Incentive Fee paid in respect of any performance period due to the subsequent performance of KIT.

In the event that the Delegate Management Agreement terminates as of a date that is not the last day of a calendar month, quarter or year, Management Fees and Incentive Fees will be payable as if such termination date were the last day of a calendar month, quarter or year, as applicable.

General

Shareholders who hold Class E Shares, which are available for Other KKR Funds, will not bear any portion of the Incentive Fees payable with respect to KIT. In addition, such Shareholders will be entitled pursuant to separate profit share agreements entered into with the K-FIT Manager to participate in certain economics of the K-FIT Manager which could mitigate in whole or in part the impact of subordinated incentive fees on income accruing to the K-FIT Manager on such Class E Shareholders.

Shareholders who hold Class F Shares, which are available to "Founder" Shareholders will not bear any portion of the Incentive Fees payable with respect to KIT. In addition, such Shareholders will be entitled pursuant to separate profit share agreements entered into with the K-FIT Manager to participate in certain economics of the K-FIT Manager which could mitigate in whole or in part the impact of incentive fees accruing to the K-FIT Manager on such Class F Shareholders. For example, the Investment Manager has entered into a profit share agreement with a Founder Shareholder pursuant to which the Investment Manager has agreed to pay such Shareholder certain fees that are calculated based on the amount of such Shareholder's investment in KIT and the amount of Shares that affiliates of such Shareholder placed (indirectly) in the Sub-Fund, respectively.

The Incentive Fee will be determined based on the investment performance of KIT as a whole and will be allocated to and borne by each Class of KIT other than Class E Shares and Class F Shares based on its respective participation in such performance. The Incentive Fee payable to the Investment Manager will be reduced by the amount allocated on such basis to Class E Shares and Class F Shares.

If any tax assessment or other governmental charge is withheld or deducted (directly or indirectly) from any amount payable to KIT (or K-FIT, as applicable), including any entity through which KIT (or K-FIT) holds a portfolio investment, or KIT (or K-FIT) pays any such assessment or charge, the amount so

deducted, withheld or paid will be treated for purposes of determining Incentive Fees as an additional amount received by KIT (or K-FIT), as applicable.

Other Fees

KKR and its Affiliates (including, but not limited to, KCM) will receive customary fees at market rates for providing capital markets services to or in respect of Portfolio Companies and other investments of KIT, including in connection with securities, financing, derivative, hedging or M&A transactions, and such fees will not reduce Management Fees or Incentive Fees. In addition, KKR and its Affiliates will receive customary fees at market rates for providing operational consulting services to or in respect of Portfolio Companies and potential investments of KIT, and such fees will not reduce Management Fees or Incentive Fees. Likewise, directors' fees paid to KKR Capstone or Capstone Executives will not be credited against Management Fees. Senior Advisors, Executive Advisors, Industry Advisors, KKR Advisors and other consultants of KKR, none of which are Affiliates of KKR, will receive consulting fees, directors' fees, sourcing fees or other fees, as applicable, at market rates, and such fees will continue to be charged and will not reduce Management Fees or Incentive Fees. KKR and its Affiliates are also expected to receive amounts from Portfolio Companies or from entities through which KIT invests in a Portfolio Company or other investments for local administration or management services related to such Portfolio Companies or entities or investments that (i) are determined by the Investment Manager, acting in good faith, to be reasonably necessary in order to achieve beneficial legal, tax or regulatory treatment with respect to the relevant investment and (ii) would otherwise be payable to a third party for such services. KKR and its Affiliates may in addition receive fees or other payments from Portfolio Companies or from entities through which KIT invests for loan administration services, loan or asset resolution, financing fees, restructuring and reconstruction and other similar services (including sourcing) provided or performed by asset reconstruction companies, other asset recovery firms, loan administration companies or similar companies affiliated with KKR. No amount of fees or compensation relating to loan administration and similar services or local administration or management services described above received by any affiliated or other service providers in which KKR has a proprietary interest will reduce Management Fees or Incentive Fees.

Any Transaction Fees, Monitoring Fees, Break-Up Fees or similar other fees paid in respect of KIT's portfolio investments will be paid over to KIT and will not therefore reduce Management Fees.

See Section XIII, "*Potential Conflicts of Interest*" of this Memorandum for a more detailed description of fees and other compensation that could be payable to the Investment Manager and its Affiliates in connection with KIT's investment activities and that will not be paid over to or otherwise shared with KIT. Subject to the limitations of the 1940 Act and related policies, such fees and other compensation may similarly be received (and not shared) by the Investment Manager and its Affiliates in respect of K-FIT and its activities.

Subscription Fees

Certain financial intermediaries through which a Shareholder was placed in KIT may charge such Shareholder upfront selling commissions, placement fees, subscription fees or similar fees (i.e., Subscription Fees) on Shares sold in the offering that are paid by the Shareholder outside of its investment in KIT and not reflected in KIT's Net Asset Value. Prospective investors should take such fees into account in considering any potential investment in KIT.

Servicing Fee

Class N Shares will bear a Servicing Fee equal to (on an annualized basis) 0.85% of the Net Asset Value for Shareholders that are located in jurisdictions that permit payment of shareholder servicing or similar fees, such amount will depend on the total subscriptions into KIT by the financial intermediary in question. For the avoidance of doubt, the Servicing Fees will be payable by KIT and Shareholders will not be billed separately for payment of the fees. No Servicing Fee will be payable with respect to Class R Shares, Class E Shares, Class F Shares or Class I Shares. The Servicing Fee will be calculated on the Net Asset Value of Class N Shares before giving effect to accruals for the Servicing Fee or distributions payable on Class N Shares.

AIFM Expenses

The AIFM and its Affiliates will be responsible for ordinary operating expenses incurred by the AIFM and its Affiliates in providing services to the Fund and each sub-fund, including KIT, including (i) all normal overhead expenses relating to the business or operation of the AIFM and its Affiliates (including, without limitation, salaries and benefits, rent, office furniture, fixtures and computer equipment other than amounts constituting Sub-Fund Expenses as described below) and (ii) all normal and recurring administrative expenses of the AIFM and its Affiliates, including the keeping of their respective books and records and the preparing of all reports to their respective members or partners.

Formation Costs

The Investment Manager has agreed to advance all of the Fund's (including the *pro rata* expenses of the Fund attributable to any sub-fund, including KIT) formation costs, including, all out-of-pocket expenses incurred by or on behalf of the Fund, each sub-fund, the General Partner, the AIFM, the Investment Manager, KKR Credit or any of its Affiliates in connection with the organization of the Fund and each sub-fund, including KIT, and the General Partner and the marketing and offering of Shares (including, placement fees, legal, regulatory, accounting, filing, capital raising (including, for the avoidance of doubt, background checks of prospective investors to comply with any anti-money laundering or anti-terrorist laws, rules, regulations, directives or special measures), travel (including non-commercial aircraft and ground transportation), meals and accommodations, printing expenses, expenses relating to the development and use of electronic application platforms and other similar costs, fees and expenses, (but excluding Subscription Fees and Servicing Fees) (collectively, "**Formation Costs**") through the first anniversary of the Initial Subscription Day. The Fund will amortise Formation Costs over the 60 months following the Initial Subscription Day. The Investment Manager will determine what Formation Costs are attributable to the Fund (including each sub-fund thereof) in its sole discretion.

After the first anniversary of the Initial Subscription Day, the Fund will reimburse the Investment Manager for any Formation Costs that it has incurred as and when incurred.

Sub-Fund Expenses

KIT will bear and be charged with Sub-Fund Expenses (as defined below) to the extent such expenses are not paid or reimbursed by Portfolio Companies or other Persons. The General Partner or its Affiliates may elect to pay such expenses (including Broken Deal Expenses) subject to reimbursement by KIT. The General Partner will bear and be charged with all other expenses, to the extent such expenses are not paid or reimbursed by Portfolio Companies or other Persons (except KIT).

Sub-Fund Expenses and the repayment of any indebtedness may be allocated against and satisfied from items of, or amounts that would otherwise constitute, disposition proceeds, current income and temporary investment income with respect to KIT in a manner determined by the General Partner in good faith.

KIT will bear all expenses of its operation (including the *pro rata* expenses of operating the Fund attributable to KIT relative to any other sub-funds), including, without limitation, all fees, costs and expenses fairly allocable to KIT, including: (a) fees, costs and expenses of outside counsel, accountants, auditors, appraisers, valuation experts, rating agencies, consultants, administrators, custodians, depositaries, trustees and other similar outside advisors and service providers (including servicing companies in which KKR or its Affiliates or KKR Personnel have an interest) with respect to KIT and its potential and actual portfolio investments (including allocable compensation and expenses of Senior Advisors, Executive Advisors, Industry Advisors and Technical Consultants and allocable fees and expenses of Capstone related to KIT's activities), and including the cost of any valuation of, or any Fairness Opinion relating to, any investment or other asset or liability or potential transaction, of KIT; (b) fees, costs and expenses of identifying, investigating (and conducting diligence with respect to), evaluating, structuring, consummating, holding, monitoring or disposing potential and actual portfolio investments, including (i) brokerage commissions, clearing and settlement charges, investment banking fees, bank charges, custodial fees, placement, syndication and solicitation fees, arranger fees, sales commissions, and other investment, execution, closing and administrative fees, costs and expenses, (ii) any travel-related costs and expenses incurred in connection therewith (including costs and expenses of accommodations and meals, costs and expenses related to attending trade association meetings, conferences or similar meetings for purposes of evaluating actual or potential investment opportunities, and with respect to travel on non-commercial aircraft, costs of travel at a comparable business class commercial airline rate) including any such expenses incurred in connection with attendance at meetings

of relevant KKR Credit investment committees and portfolio management committees, (iii) expenses associated with portfolio and risk management including Hedging Transactions and related costs, (iv) fees, costs and expenses incurred in the organization, operation, administration, restructuring or dissolution, liquidation and termination of any entities through which KIT makes investments (including allocable rent and other overhead of entities established to manage or administer such entities including entities in which KKR or its Affiliates have an interest); (v) fees, costs and expenses of outside counsel, accountants, auditors, consultants (including Capstone) and other similar advisors and service providers incurred in connection with designing, implementing and monitoring participation by Portfolio Companies in compliance and operational "best practices" programs and initiatives; and (vi) fees, costs and expenses incurred in connection with assessing and reporting the social and environmental impact and environmental, social and governance performance of investments and potential investments (including fees, costs and expenses payable to Business for Social Responsibility and/or any similar third party service provider) and of outside counsel, accountants, auditors, consultants (including Capstone) and other similar outside advisors and service providers incurred in connection with designing, implementing and monitoring any impact assessment program (including allocable compensation and overhead of KKR Personnel engaged in the foregoing activities); (c) any taxes, fees or other governmental charges levied against KIT or on its income or assets or in connection with its business or operations including the business or operations of any entities through which KIT invests and preparation of expenses in connection with such governmental charges (which includes the preparation and filing of any forms, schedules, filings, information or other documents necessary to avoid the imposition of withholding or other taxes pursuant to any Applicable Tax Reporting Obligation and the Report of Foreign Bank and Financial Accounts) or to otherwise comply with Applicable Tax Reporting Obligations, BEPS or any legal implementation of such regimes (including any VAT payable by the General Partner or KIT on or with respect to the services supplied by the AIFM under the AIFM Agreement or by the Investment Manager under the Delegate Management Agreement (to the extent such VAT is not already included in the Management Fee or Delegate Management Fee)), but excluding any amounts to the extent withheld or deducted (directly or indirectly) from any amount payable to KIT (or K-FIT, as applicable), including any entity through which KIT (or K-FIT) holds portfolio investments or pays any such assessment or charge, and excluding any amount reimbursed, directly or indirectly, by an investor; (d) fees, costs and expenses incurred in connection with any audit, examination, investigation or other proceeding by any taxing authority or incurred in connection with any governmental or regulatory inquiry, investigation or proceeding, in each case, involving or otherwise applicable to KIT, including the amount of any judgments, settlements, remediation or fines paid in connection therewith, excluding, for the avoidance of doubt, any expenses with respect to which an Indemnitee (as defined below) would not be entitled to indemnification or advancement by reason of the limitations set forth in this Memorandum and any fine or penalty paid by the Investment Manager, the General Partner or any other KKR Affiliate to a governmental body of competent jurisdiction on the basis of a finding that the Investment Manager, the General Partner or such KKR Affiliate has breached a fiduciary duty to KIT or the Shareholders (for the avoidance of doubt, the foregoing does not include any fine or penalty related to activities taken by the Investment Manager, the General Partner or other KKR Affiliates on behalf of KIT); (e) expenses of any Independent Client Representative (including (i) accommodation, meal, event, entertainment and other similar fees, costs and expenses in connection with any meetings of any Independent Client Representative and (ii) the fees, costs and expenses of any legal counsel or other advisors retained by, or at the direction or for the benefit of, and any Independent Client Representative; (f) fees, costs and expenses of holding any annual or other information meeting of the Shareholders (including (i) meal, event, entertainment and other similar fees, costs and expenses and (ii) travel and accommodation costs of KKR Personnel, Senior Advisors, Executive Advisors, Industry Advisors, KKR Advisors, Technical Consultants and Capstone Executives attending such annual or other information meetings (and with respect to travel on non-commercial aircraft, costs of travel at a comparable business class commercial airline rate)); (g) the portion fairly allocable to KIT of fees, costs and expenses incurred in connection with legal, regulatory and tax compliance (including allocable compensation and expenses of KKR Personnel who are attorneys, accountants, tax advisors and professionals engaged on matters related thereto) incurred in connection with legal, regulatory and tax services provided on behalf of KIT, its investments and Portfolio Companies and compliance with U.S. federal, state, or local law, Irish, Luxembourg or other non-U.S. law or other law and regulation relating to KIT's activities (including expenses relating to the preparation and filing of Form PF, Form SHLA and/or other regulatory filings of the General Partner, the AIFM, KKR, KKR Credit and their Affiliates relating to KIT's activities, including filings with the CFTC, compliance with the SFDR and compliance with the AIFMD and background checks of transferees of Shares to comply with any anti-money laundering or anti-terrorist laws, rules, regulations, directives or special measures but, for the avoidance of doubt, excluding any ordinary course compliance requirements of the Advisers Act, such as the preparation of Form ADV, that

do not relate directly to the affairs of KIT); (h) fees, costs and expenses associated with KIT's administration, including in relation to calling capital (if applicable) and accepting subscriptions from and making distributions to the Shareholders, the administration of assets, financial planning and treasury activities, the preparation and delivery of all KIT financial statements, tax returns (including any successors thereto), any other tax-related information requested by Shareholders that the General Partner agrees in its sole discretion to provide (but only to the extent not paid or otherwise borne by the relevant Shareholder), capital calls, subscription confirmations, distribution notices, other reports and notices and other required or requested information provided to a sub-set of Shareholders or to all Shareholders, as applicable (including the cost of any third-party administrator that provides accounting and administrative services to KIT), fees, costs and expenses incurred to audit such reports, provide access to such reports or information (including through a website or other portal) and any other operational, secretarial or postage expenses relating thereto or arising in connection with the distribution thereof (and including, in each case, technology development and support with respect to such activities and other administrative support therefor and allocable compensation and overhead of KKR Personnel engaged in the aforementioned activities and KKR Personnel providing oversight of any third party administrator engaged in the aforementioned activities); (i) principal, interest on and fees, costs and expenses relating to or arising out of all borrowings made by KIT including fees, costs and expenses incurred in connection with the negotiation and establishment of the relevant credit facility, credit support or other relevant arrangement with respect to such borrowings or related to securing the same by mortgage, pledge or other encumbrance if applicable; (j) fees, costs and expenses relating to any derivative contracts, instruments or other similar arrangements (including payments under, and margin expenses relating to, the foregoing and the posting of margin or other collateral with respect to the foregoing); (k) fees, costs and expenses relating to a transfer of Shares (or a permitted redemptions or conversions of Shares by a Shareholder) (but only to the extent not paid or otherwise borne by the relevant transferring Shareholder and/or the assignee or the redeeming or converting Shareholder, as applicable); (l) fees, costs and expenses incurred in connection with any amendments, restatements or other modifications to, and compliance with, this Memorandum, the AIFM Agreement, the Delegate Management Agreement, the Administration Agreement (as defined below), investor side letters (including "most favoured nations" provisions) or any other constituent or related documents of the Fund (as allocable to KIT), and the General Partner (or their general partners, as applicable), including the solicitation of any consent, waiver or similar acknowledgment from the Shareholders or preparation of other materials in connection with compliance (or monitoring compliance) with such documents; (m) fees, costs and expenses related to procuring, developing, implementing or maintaining information technology, data subscription and license-based services, research publications, materials, equipment and services, computer software or hardware and electronic equipment used in connection with providing services to KIT (including in connection with reporting and valuations), in connection with identifying, investigating (and conducting diligence with respect to) or evaluating, structuring, consummating (including license fees and maintenance costs for workflow technology that facilitates the closing of portfolio investments by, among other things, managing allocations (as between KIT, Parallel Vehicles, Other KKR Funds and/or other relevant Persons), conflicts of interest and compliance with law, all in accordance with policies and procedures established by KKR and its Affiliates), holding, monitoring, or disposing potential and actual investments, or in connection with obtaining or performing research related to potential or actual portfolio investments, industries, sectors, geographies or other relevant market, economic, geopolitical or similar data or trends, including risk analysis software (and including, in each case, allocable compensation and overhead of KKR Personnel engaged in connection with the foregoing or providing oversight of third parties engaged in connection with the foregoing); (n) premiums and fees for insurance for the benefit of, or allocated to, KIT (including directors' and officers' liability, errors and omissions or other similar insurance policies, and any other insurance for coverage of liabilities incurred in connection with the activities of, or on behalf of, KIT) including an allocable portion of the premiums and fees for one or more "umbrella" policies that cover KIT, Other KKR Funds, KKR and KKR Affiliates and costs of ERISA fidelity bonds; (o) expenses of any actual or potential litigation or other dispute related to KIT or any actual or potential investment or Portfolio Company (including expenses incurred in connection with the investigation, prosecution, defence, judgment or settlement of litigation and the appointment of any agent for service of process on behalf of KIT or the Shareholders) and other extraordinary expenses related to KIT or actual or potential investment or Portfolio Company (including fees, costs and expenses that are classified as extraordinary expenses under generally accepted accounting principles in the Lux GAAP) excluding for the avoidance of doubt, any expenses with respect to which an Indemnitee would not be entitled to indemnification or advancement by reason of the limitations set forth in this Memorandum; (p) fees, costs and expenses required under or otherwise related to KIT's indemnification obligations under this Memorandum, including advancement of any such fees, costs or expenses to Persons entitled to such indemnification, or other matters that are the subject of indemnification or

contribution pursuant to this Memorandum; (q) fees, costs and expenses incurred in connection with dissolving, liquidating and terminating the Fund (as allocable to KIT) or KIT; (r) all other costs and expenses of KIT or the General Partner (and its general partner) and their Affiliates in connection with the activities, business or operation of KIT and KIT's potential and actual investments; (s) Broken Deal Expenses; (t) in the case of each of the foregoing items in this definition, all similar items in connection with any Portfolio Companies or entities through which KIT makes any investment, to the extent not otherwise paid or borne by such Portfolio Companies; (u) expenses associated with participating in marketing events hosted by broker-dealers or sponsored by the Investment Manager or its Affiliates and travel expenses relating to the ongoing offering of Shares and interests of any Parallel Vehicle and the foregoing activities; and (v) all other costs and expenses of KIT or the General Partner and its Affiliates in connection with the business or operation of KIT and its investments; but not including Formation Costs, the Management Fee and any Incentive Fees (collectively, "**Sub-Fund Expenses**"). For the avoidance of doubt, Sub-Fund Expenses may include any of the fees, costs, expenses and other liabilities described above incurred in connection with services provided, or other activities engaged in, by the General Partner, the Investment Manager and their Affiliates, in addition to third parties. In determining the amount of Sub-Fund Expenses that may be fairly allocable to KIT and to any Other KKR Funds (including other sub-funds of the Fund) that participate in portfolio investments with KIT, the General Partner will allocate such Sub-Fund Expenses in a manner that is consistent with an allocation methodology established by KKR Credit and their Affiliates. For the avoidance of doubt, Sub-Fund Expenses may include any of the fees, costs, expenses and other liabilities described above incurred in connection with services provided, or other activities engaged in, by KKR and its Affiliates, in addition to third parties.

Discretionary Expense Limitation and Reimbursement

Notwithstanding any other provisions of this Section VIII, "*Fees and Expenses; Accounting; Reporting; Shareholder Matters*," the Investment Manager may, in its sole discretion, apply a limit to certain Sub-Fund Expenses and/or Formation Costs (the "**Expense Limitation**") to be borne by the Fund and/or KIT, as applicable, in any given month, and defer the payment and/or reimbursement of the portion of Sub-Fund Expenses and/or Formation Costs in excess of such Expense Limitation by the Fund or KIT, as applicable, to subsequent periods. The Investment Manager may remove the Expense Limitation in its sole discretion and at any time, and the Fund and/or KIT (as applicable and as determined by the Investment Manager in its sole discretion) will repay any excess unreimbursed expenses deferred pursuant to the foregoing sentence and/or any other outstanding unreimbursed amounts of Sub-Fund Expenses and/or Formation Costs within a period not exceeding five years following the date on which the Investment Manager removed the Expense Limitation.

REPORTS AND FINANCIAL STATEMENTS

The financial year of KIT ends on the December 31st of each year, *except for* the first financial year of KIT which commences on the date of incorporation of the Fund and ends on December 31st, 2023.

An annual report and audited financial statements for KIT in respect of each financial year will be prepared in accordance with the RAIF Law and the AIFMD and sent to Shareholders at their registered address. Semi-annual reports, incorporating unaudited financial statements, will also be prepared. Such reports and financial statements will comprise consolidated financial statements of KIT expressed in U.S. dollars, being the Reference Currency of KIT.

The financial statements will be established on the basis of Lux GAAP.

Publicly Traded Securities

The General Partner shall be permitted to exclude any information with respect to any publicly traded securities that may otherwise be required to be provided in any reports to the Shareholders pursuant to this sub-section, "— *Reports and Financial Statements*" for which the General Partner has determined, in its sole discretion, disclosure is not, at such time, commercially practicable or otherwise in the interest of KIT (and such exclusion shall be applied on a consistent basis with respect to all Shareholders); *provided that* if such determination changes and KIT continues to hold publicly traded securities, the General Partner shall provide any such required information in the next regular report to Shareholders.

Confidentiality of Information

Subject to applicable laws, the General Partner has the right to keep confidential from the Shareholders (and their respective agents and attorneys) for such period of time as the General Partner deems reasonable, any information that the General Partner reasonably believes to be in the nature of trade secrets or other information the disclosure of which the General Partner in good faith believes is not in the best interests of KIT or any Portfolio Company or could damage KIT or such Portfolio Company or their respective businesses or which KIT or such Portfolio Company is required by law or by agreement with a third party to keep confidential.

Meetings of Shareholders of the Fund

The Fund will hold an annual general meeting of the shareholders of the Fund each year within six months of the end of the preceding financial year. The annual general meeting shall, without prejudice to other items required by the 1915 Law or added to the agenda, approve the consolidated financial statements of the Fund.

The General Partner may convene additional general meetings of the Fund. Such meetings must be convened if shareholders representing at least 10% of the Fund's share capital so require. General meetings, including the annual General Meeting will be held at the registered office of the Fund or at such other place in the Grand Duchy of Luxembourg, and may be held abroad if, in the judgement of the General Partner circumstances of force majeure so require.

The General Partner may, at any time, convene a meeting of Shareholders of any sub-fund, including KIT, in order to decide on any matter which relates exclusively to the sub-fund.

Further information about the proceedings of general meetings can be found in the Articles.

Sub-Fund Performance

The historical performance of KIT is available to Shareholders from the AIFM upon request.

IX. DISSOLUTION AND LIQUIDATION OF THE FUND AND THE SUB-FUND

The Fund has been established for an indefinite period of time. The Sub-Fund has been established for an indefinite period of time.

Dissolution and Liquidation of the Fund

The Fund may at any time be dissolved by a resolution taken by the general meeting of Shareholders (including of the relevant sub-fund), subject to the quorum and majority requirements as provided in the Articles.

In addition, whenever the Fund's capital falls below two thirds of the legal minimum capital (such legal minimum being the equivalent in USD of €1,250,000), the General Partner must submit the question of the dissolution of the Fund to the general meeting of Shareholders. The general meeting, for which no quorum shall be required, shall decide by a simple majority of the votes of the Shares present and represented at the meeting.

The question of the dissolution of the Fund shall also be referred to the general meeting of Shareholders whenever the capital falls below one quarter of the minimum capital. In such event, the general meeting shall be held without quorum requirements, and the dissolution may be decided by the Shareholders holding one quarter of the votes present and represented at that meeting.

The meeting must be convened so that it is held within a period of 40 days from when it is ascertained that the net assets of the Fund have fallen below two thirds or one quarter of the legal minimum, as the case may be.

Furthermore, the Fund will be dissolved if any of the following events occurs:

(a) judicial dissolution of the Fund;

(b) if Shareholders so decide following the dissolution, incapacity, resignation or insolvency (or other similar proceedings) of the General Partner in accordance with the procedures set forth in the Articles; or

(c) when otherwise required by the RAIF Law or the 1915 Law.

The issue of new Shares and redemptions by the Fund in respect of each sub-fund shall cease on the date of publication of the notice of the general meeting of Shareholders, to which the dissolution and liquidation of the Fund shall be proposed. The proceeds of the liquidation of each sub-fund, net of all liabilities and liquidation expenses, shall be distributed by the liquidators among the holders of Shares in each Class in accordance with their respective rights. The amounts not claimed by Shareholders at the end of the liquidation process shall be deposited, in accordance with Luxembourg law, with the *Caisse de Consignations* in Luxembourg until the statutory limitation period has lapsed.

Any decision to put the Fund into liquidation will take into account the best interests of the Shareholders.

Notwithstanding the foregoing, in the event that the General Partner determines that a sale of all or any portion of the assets of any sub-fund in connection with its dissolution and liquidation would not be in the best interests of the Shareholders, the General Partner may distribute such assets or other assets to the Shareholders in kind.

Dissolution and Liquidation of the Sub-Fund

KIT may be dissolved and put into liquidation:

(a) at any time, if so proposed by the General Partner and consented to by Shareholders holding Shares representing no less than two-thirds of Shares in issue; or

(b) at the sole discretion of the General Partner where the General Partner determines that such dissolution and liquidation is necessary or advisable in light of applicable business considerations (including market or investment opportunity or the size of KIT rendering its management economically not viable).

Upon the dissolution, liquidation and termination of the Sub-Fund pursuant to the paragraph above, the Sub-Fund will thereafter engage in no further business other than that which is necessary or advisable to wind up the business of the Sub-Fund, and the General Partner or, in the case of dissolution, liquidation and termination of the Sub-Fund pursuant to sub-section "*— Dissolution and Liquidation of the Fund*", sub-paragraph (b), above, a liquidating trustee appointed by the Shareholders will liquidate in an orderly fashion all securities and any other Sub-Fund assets and distribute the cash proceeds therefrom. The Sub-Fund may take a reasonable period of time (in consideration of market conditions and legal and contractual considerations) from the date of the occurrence of any cause of dissolution described above to wind up the affairs of the Sub-Fund and dispose of the Sub-Fund's assets. With the prior consent of the Shareholders (pursuant to majority and quorum requirements for ordinary general meetings), in order to facilitate the final dissolution, liquidation and termination of the Sub-Fund within a reasonable period of time, KKR Credit, the Investment Manager or a KKR Affiliate may in the sole discretion of each such Person (but shall not be required to) acquire one or more portfolio investments from the Sub-Fund at the then fair value of such portfolio investments. The cash proceeds from the liquidation of Sub-Fund assets will be applied or distributed by the Sub-Fund in the following order:

(a) first, to the creditors of the Sub-Fund (including, the AIFM, the Investment Manager and any Shareholders that are creditors to the extent permitted by law, which will include the General Partner and its Affiliates to the extent owed any fees, reimbursements or payments), in satisfaction of liabilities of the Sub-Fund (whether by payment or the making of reasonable provision for payment thereof); and

(b) second, to the Shareholders in the same manner and amounts as distributions by the Sub-Fund under Section III, "*Share Class Information — Distributions*", such distributions to be made by the end of the taxable year in which such liquidation occurs (or, if later, within 90 calendar days after the date of the liquidation).

Notwithstanding the foregoing, in the event that the General Partner determines that a sale of all or any portion of the securities or other assets of the Sub-Fund would not be in the best interests of the Shareholders, the General Partner may distribute such securities or other assets to the Shareholders in kind.

X. REGULATORY AND TAX CONSIDERATIONS

CERTAIN U.S. FEDERAL INCOME TAX CONSIDERATIONS

The following is a summary of certain U.S. federal income tax consequences of the acquisition and ownership of Shares of the Sub-Fund (i.e., KIT) by a Non-U.S. Holder (as defined below), for whom the Sub-Fund is generally designed. Investors other than Non-U.S. Holders should consult their tax advisors regarding the U.S. tax treatment of their investment in the Sub-Fund, including with respect to the application of the "passive foreign investment company" and "controlled foreign corporation" rules which may apply to non-U.S. corporations held by the Sub-Fund.

The summary is based on the tax laws of the United States, including the Code, its legislative history, existing and proposed regulations thereunder, published rulings and court decisions, all as currently in effect and all subject to change at any time, possibly with retroactive effect.

THE SUMMARY OF U.S. FEDERAL INCOME TAX CONSEQUENCES SET OUT BELOW IS FOR GENERAL INFORMATION ONLY AND RELATES SOLELY TO THE SUB-FUND. ALL PROSPECTIVE INVESTORS SHOULD CONSULT THEIR TAX ADVISORS AS TO THE PARTICULAR TAX CONSEQUENCES TO THEM OF OWNING THE SHARES, INCLUDING THE APPLICABILITY AND EFFECT OF STATE, LOCAL, FOREIGN AND OTHER TAX LAWS AND POSSIBLE CHANGES IN TAX LAW. REFERENCES TO "SHARES" IN THIS SECTION SHALL, UNLESS OTHERWISE STATED, REFER SOLELY TO SHARES IN THE SUB-FUND.

The following summary deals only with initial purchasers of Shares that will hold the Shares as capital assets. The discussion does not cover all aspects of U.S. federal income taxation that may be relevant to, or the actual tax effect that any of the matters described herein will have on, the acquisition or ownership of Shares by particular investors and does not address U.S. state and local and non-U.S. tax laws. In particular, this summary does not address (i) tax considerations applicable to investors that own (directly, indirectly or by attribution) 10% or more of the Sub-Fund's Shares or any underlying investments, (ii) all of the tax considerations that may be relevant to certain types of investors subject to special treatment under the U.S. federal income tax laws (such as financial institutions, insurance companies, regulated investment companies, investors liable for the alternative minimum tax, individual retirement accounts and other tax-deferred accounts, dealers in securities or currencies, investors that will hold Shares as part of straddles, Hedging Transactions or conversion transactions for U.S. federal income tax purposes, investors whose functional currency is not the U.S. dollar or foreign governments) or (iii) the tax consequences of the disposition (including by way of redemption) of Shares. The activities of an investor unrelated to such investor's status as a Shareholder of the Sub-Fund may affect the tax consequences to such investor of any investment in the Sub-Fund.

As used herein, the term "**Non-U.S. Holder**" means any corporation, partnership, individual or estate or trust that is a beneficial owner of the Shares and that, for U.S. federal income tax purposes, is: (i) a foreign corporation; (ii) a foreign partnership all of whose partners are Non-U.S. Holders; (iii) a non-resident alien individual or (iv) a foreign estate or trust all of whose beneficiaries are Non-U.S. Holders. Special rules may apply to a Non-U.S. Holder that is, for U.S. federal income tax purposes, a controlled foreign corporation, a passive foreign investment company, a corporation that accumulates earnings to avoid U.S. federal income tax, a non-U.S. government or its controlled entity, a non-U.S. pension plan, an individual that has a "tax home" in the United States or an individual who is a U.S. expatriate and therefore subject to special treatment under the Code. The discussion assumes that a Non-U.S. Holder is not and will not be engaged in a trade or business within the United States, has and will have no U.S. source income apart from its investment in the Sub-Fund and, in the case of a non-U.S. individual, does not have (and will not have) a "substantial presence" in the United States. Prospective purchasers that would be Non-U.S. Holders should consult their own tax advisors to determine the U.S. federal, state, local and other tax consequences that may be relevant to them.

The U.S. federal income tax treatment of a partner in an entity or arrangement treated as a partnership for U.S. federal income tax purposes that holds Shares will depend on the status of the partner and the activities of the partnership. Prospective investors that are entities or arrangements treated as partnerships for U.S. federal income tax purposes should consult their tax advisors concerning the U.S. federal income tax consequences to their partners of the acquisition and ownership of Shares by the partnership.

Investment in the Sub-Fund

Classification of the Sub-Fund

The General Partner expects the Sub-Fund to be treated as a corporation for U.S. federal income tax purposes and this discussion assumes this treatment will apply. As investors in a corporation for U.S. federal income tax purposes, Shareholders who are not otherwise subject to U.S. federal income tax will not be required to directly pay U.S. federal income taxes or file U.S. federal income tax returns solely as a result of their investment in the Sub-Fund.

Non-U.S. Holders of Shares in the Sub-Fund

Generally

As described in Section II, "*Investment Information*" of this Memorandum, the Sub-Fund's investment strategy will be implemented through two investment structures. The first investment structure will target approximately 60% to 70% of the Sub-Fund's portfolio and consist of investments in K-FIT. The second investment structure will represent the remainder of the Sub-Fund's portfolio and consist of investments in non-U.S. direct lending investments, ABF investments and traded credit and other permitted investments (each a "**Non-K-FIT Investment**").

If the General Partner has determined that a Non-K-FIT Investment will give rise to income which is effectively connected with such trade or business it is expected that the Sub-Fund will hold such investment through a U.S. entity treated as a corporation for U.S. federal income tax purposes (a "**Blocker**"), in which case, the investment would be subject to U.S. corporate income tax. Accordingly, the Sub-Fund is not expected to be treated as engaged in a U.S. trade or business as a result of such investments.

The Sub-Fund generally intends to take the position that it is not engaged in a U.S. trade or business for U.S. federal income tax purposes. However, it is possible that the U.S. Internal Revenue Services (the "**IRS**") could assert, and that a court would ultimately hold, that certain investment activities of the Sub-Fund are sufficient to cause it to be engaged in a U.S. trade or business. If the Sub-Fund is treated as being engaged in a U.S. trade or business, it will be subject to U.S. federal income tax on any income that is effectively connected with a U.S. trade or business. In addition, the Sub-Fund may also be subject to an additional branch profits tax of 30% on its effectively connected earnings and profits, adjusted as provided by law.

In general, assuming the Sub-Fund is not treated as engaged in a U.S. trade or business, the Sub-Fund will not be subject to any U.S. federal income tax with respect to gains from the sale or other disposition of stock or debt securities derived by the Sub-Fund.

Assuming the Sub-Fund is not treated as engaged in a U.S. trade or business, the Sub-Fund will be subject to U.S. federal income tax withholding at a rate of 30% on U.S. source dividends and U.S. source interest, including from Blockers (and from certain distributions from Blockers that are RICs, for which *see* sub-section "— *Taxation of K-FIT as a RIC*" below), unless, in the case of interest, such interest qualifies as portfolio interest. Portfolio interest generally includes (with certain exceptions) interest paid on registered obligations with respect to which the beneficial owner provides a statement that it is not a U.S. person. The portfolio interest exemption is not available with respect to interest paid to a 10% shareholder of the issuer of the indebtedness and is subject to certain other limitations. In addition, certain types of "contingent interest" (generally, interest the amount of which is determined by the receipts, sales, cash flow, income or profits of the debtor or a related person, or by dividends or partnership distributions made by the debtor or related person) are excluded from the definition of portfolio interest and will be subject to withholding tax as discussed above.

In addition, if the Sub-Fund were to acquire stock in a U.S. real property holding corporation and either (i) such stock was not regularly traded on an established securities market within the meaning of the Code or (ii) the stock was treated as owned by the holder of more than 5% (by value) of such stock, then gain on the sale of such stock would be treated as income effectively connected with the conduct of a U.S. trade or business and would be subject to regular U.S. federal income tax. A U.S. real property holding corporation is generally a corporation 50% or more of whose assets consist of U.S. real property at any time during a specified testing period.

Fee income actually received or deemed to be received by the Sub-Fund may cause the Sub-Fund to be

treated as engaged in a U.S. trade or business in certain circumstances.

Taxation of K-FIT as a RIC

As described above, up to 70% of the Sub-Fund's portfolio will be invested through K-FIT, which is a U.S. corporation that is intended to be treated as a regulated investment company under Subchapter M of the Code for U.S. federal income tax purposes (a "**RIC**"). If treated as a RIC, K-FIT generally would not be required to pay corporate-level U.S. federal income taxes on any net ordinary income or capital gains that are timely distributed to Non-U.S. Holders as dividends. However, to the extent that K-FIT fails to qualify as a RIC or timely distribute net ordinary income or capital gains, it will remain subject to U.S. corporate tax. In addition, corporate tax may apply in certain cases to investments that are contributed to a RIC.

To qualify as a RIC, K-FIT must:

- qualify to be regulated as a business development company or registered as a management company under the 1940 Act at all times during each taxable year;

- distribute to its shareholders, for each taxable year, dividends of an amount at least equal to 90% of its "investment company taxable income," which is generally its net ordinary income *plus* the excess of realized net short-term capital gains over realized net long-term capital losses and determined without regard to any deduction for dividends paid (the "**Annual Distribution Requirement**");

- derive in each taxable year at least 90% of its gross income from (i) dividends, interest, payments with respect to certain securities loans, gains from the sale of stock or other securities, or certain other income and (ii) net income derived from interests in "qualified publicly traded partnerships" (partnerships that are traded on an established securities market or tradable on a secondary market, other than partnerships that derive 90% of their income from interest, dividends and other permitted RIC income) (the "**90% Income Test**"); and

- diversify its holdings so that, at the end of each quarter of the taxable year:

  - at least 50% of the value of its assets consists of cash, cash equivalents, U.S. government securities, securities of other RICs, and other securities if such other securities of any one issuer do not represent more than 5% of the value of its assets or more than 10% of the outstanding voting securities of the issuer; and

  - no more than 25% of the value of its assets is invested in the securities, other than U.S. government securities or securities of other RICs, of one issuer or of two or more issuers that are controlled, as determined under applicable tax rules, by KKR and that are engaged in the same or similar or related trades or businesses or in the securities of one or more qualified publicly traded partnerships (the "**Diversification Tests**").

A 4% non-deductible federal excise tax will be imposed unless, each calendar year, K-FIT distributes dividends of an amount at least equal to the sum of (1) 98% of its net ordinary income (taking into account certain deferrals and elections) for the calendar year, (2) 98.2% of the excess (if any) of its realized capital gains over its realized capital losses, or capital gain net income (adjusted for certain ordinary losses), generally for the one-year period ending on October 31 of the calendar year and (3) the sum of any net ordinary income *plus* capital gains net income for preceding years that were not distributed during such years and on which K-FIT paid no federal income tax. It is expected that K-FIT will make sufficient distributions each taxable year such that such excise tax does not apply. However, under certain circumstances, K-FIT may retain taxable income or capital gains in excess of current year distributions into the next tax year in an amount less than what would trigger payments of federal income tax under Subchapter M of the Code, in which case K-FIT may then be required to pay such excise tax on such income or capital gains. In some circumstances (for example in connection with certain limits on deductibility of expenses and net capital losses, the inability to carry forward net operating losses or because K-FIT has taxable income without corresponding receipt of cash such as a result of an investment in debt that has original issuance discount for U.S. federal income tax purposes), K-FIT may, for tax purposes, have aggregate taxable income that it is required to distribute and that is taxable to stockholders even if such taxable income is greater than the net income actually earned during those taxable years. Moreover, in such circumstances K-FIT may, in connection with the Annual Distribution Requirement,

be required to distribute an amount in excess of its available cash.

Certain investment practices by K-FIT are subject to special and complex U.S. federal income tax provisions that may, among other things, (1) disallow, suspend or otherwise limit the allowance of certain losses or deductions, (2) convert lower-taxed long-term capital gain into higher-taxed short-term capital gain or ordinary income, (3) cause the Sub-Fund to recognize income or gain without a corresponding receipt of cash, (4) adversely affect the time as to when a purchase or sale of stock or securities is deemed to occur, (5) adversely alter the characterization of certain complex financial transactions and (6) produce income that will not be qualifying income for purposes of the 90% Income Test. It is intended that K-FIT will monitor its transactions and may make certain tax elections to mitigate the effect of these provisions and prevent the likelihood of being subject to tax as a RIC.

Although K-FIT does not presently expect to do so, it is authorised to borrow funds and to sell assets in order to satisfy distribution requirements. However, under the 1940 Act, K-FIT is not permitted to make distributions to stockholders while debt obligations and other senior securities are outstanding unless certain "asset coverage" tests are met. Moreover, K-FIT's ability to dispose of assets to meet distribution requirements may be limited by (1) the illiquid nature of its portfolio and/or (2) the Diversification Tests. If K-FIT disposes of assets in order to meet the Annual Distribution Requirement or in connection with the excise tax described above, it may make such dispositions at times that, from an investment standpoint, are not advantageous.

If K-FIT fails to qualify for treatment as a RIC, K-FIT would be subject to tax on all taxable income at regular corporate rates. The Code provides some relief from RIC disqualification due to failures to comply with the 90% Income Test and the Diversification Tests, although there may be additional taxes due in such cases. It cannot be guaranteed that K-FIT will qualify for any such relief should it fail the 90% Income Test or the Diversification Tests.

Certain properly designated dividends of K-FIT generally are exempt from U.S. federal withholding tax when they (1) are paid in respect of the K-FIT's "qualified net interest income" (generally, its U.S. source interest income, other than certain contingent interest and interest from obligations of a corporation or partnership in which K-FIT is at least a 10% stockholder, reduced by expenses that are allocable to such income) or (2) are paid in connection with the K-FIT's "qualified short-term capital gains" (generally, the excess of its net short-term capital gain over its long-term capital loss for a tax year) as well as if certain other requirements are satisfied. However, depending on the circumstances, K-FIT may designate all, some or none of its potentially eligible dividends as derived from such qualified net interest income or as qualified short-term capital gains, or treat such dividends, in whole or in part, as ineligible for this exemption from withholding. If the exemption is not available, distributions treated as dividends will be subject to withholding in a manner comparable to regular U.S. corporate Blockers.

Actual or deemed distributions of K-FIT's net capital gains to a Non-U.S. Holder generally will not be subject to federal withholding tax and generally will not be subject to U.S. federal income tax unless the distributions are effectively connected with a U.S. trade or business of the Non-U.S. Holder.

If K-FIT fails to qualify as a RIC, all of its taxable income would be subject to tax at regular corporate rates, it would not be able to deduct dividend distributions to stockholders and its dividends would be taxable as described above in respect of regular U.S. corporate Blockers (*see* discussion of dividends in sub-section "*— Non-U.S. Holders of Shares in the Sub-Fund — Generally*" above). Additionally, K-FIT would no longer be required to distribute its income and gains. Moreover, if K-FIT fails to qualify as a RIC, K-FIT may be subject to regular corporate tax on any net built-in gains with respect to certain of its assets (i.e., the excess of the aggregate gains, including items of income, over aggregate losses that would have been realized with respect to such assets if K-FIT had been liquidated) that K-FIT elects to recognize on requalification as a RIC or when recognised over the next five taxable years.

POTENTIAL NON-U.S. HOLDERS SHOULD CONSULT THEIR OWN TAX ADVISORS REGARDING ALL ASPECTS OF INVESTING IN THE SUB-FUND.

FATCA Withholding

Pursuant to the U.S. Foreign Account Tax Compliance Act ("**FATCA**") provisions of the U.S. Hiring Incentives to Restore Employment Act of 2010, payments of most types of income from sources within the United States (as determined under applicable U.S. federal income tax principles), such as interest and dividends (collectively, "**Withholdable Payments**") and payments "attributable" to Withholdable Payments made by participating foreign financial institutions two or more years after the date on which the final Treasury Regulations that define "foreign passthru payments" are published, in each case, to a

foreign financial institution or certain other foreign entities generally will be subject to a 30% U.S. federal withholding tax, unless certain reporting and other applicable requirements are satisfied. It is expected that the Sub-Fund will invest in certain non-U.S. entities (each, together with the Sub-Fund, an "**Offshore Entity**") that will be treated as a "foreign financial institution" for this purpose. As a foreign financial institution, in order to be permitted to receive Withholdable Payments without deduction of this 30% withholding tax, it is expected that each Offshore Entity generally may need to be a party to an agreement with the IRS requiring such Offshore Entity to provide certain information on its U.S. reportable account holders (i.e., specified U.S. Persons or certain foreign entities with U.S. beneficial owners/Controlling Persons) to the IRS and to meet other requirements or, alternatively, each Offshore Entity may be permitted to receive Withholdable Payments without a 30% withholding tax deduction if it complies with the terms of an applicable intergovernmental agreement, if any, between the United States government and the government of the country in which the Offshore Entity is a resident.

The Sub-Fund will require its investors to provide information regarding themselves and their beneficial owners/Controlling Persons (if applicable) in order to comply with these requirements. An Offshore Entity may be unable to satisfy its reporting obligations (including if the Offshore Entity cannot collect the requisite information from some or all of its investors) and, as a result, payments received by the Offshore Entity may be subject to this withholding tax.

By investing (or continuing to invest) in the Sub-Fund, each investor will be deemed to acknowledge that:

- the Sub-Fund may be required to disclose to the IRS or non-U.S. fiscal authorities (as applicable) certain information in relation to the investor and certain information relating to the investor's investment;

- non-U.S. fiscal authorities may be required to automatically exchange information as outlined above with the IRS and other non-U.S. fiscal authorities (as applicable);

- each Offshore Entity may be required to disclose to the IRS and other non-U.S. fiscal authorities (as applicable) certain confidential information when registering with such authorities, and such authorities may contact such Offshore Entity with further enquiries; and

- each Offshore Entity may require the investor to provide additional information and/or documentation which such Offshore Entity may be required to disclose to the IRS or relevant foreign fiscal authority.

Each Sub-Fund investor should consult its own tax advisors regarding the possible implications of FATCA (and the reporting obligations that will apply to such investor, which may include providing certain information in respect of such investor's beneficial owners/Controlling Persons).

Tax Forms

Each Shareholder shall furnish the Sub-Fund or General Partner with such information, forms and certifications as the Fund or General Partner may require and as are necessary to comply with Applicable Tax Reporting Obligations and any other legal, tax or regulatory requirements, including any regulations governing the obligations or withholding tax agents, as well as such information, forms and certifications as are necessary in the sole discretion of the General Partner with respect to any withholding or other taxes imposed by any governmental authority or with respect to any tax treaty or any other tax matter and represents and warrants that the information and forms furnished by such Shareholder shall be true and accurate in all respects. Each Shareholder agrees that if any information, form or certification previously delivered expires or becomes obsolete or inaccurate in any respect, or upon request by the General Partner, it shall promptly deliver to the Sub-Fund or General Partner an updated version of such information, form or certification that shall be true and accurate in all respects.

If any Shareholder fails to provide any information requested by the Sub-Fund or the General Partner that the Sub-Fund or the General Partner, as applicable, determines, in its sole discretion, is reasonably necessary in connection with compliance with Applicable Tax Reporting Obligations, then the General Partner will provide such Shareholder with written notice of its failure to comply and the potential consequences thereof. If such Shareholder fails to comply with the General Partner's request within 20

Business Days of receiving such written notice, including e-mail communications, then the General Partner shall be entitled to (i) forfeit the defaulting investor's interest (including any Shares) in the Sub-Fund and/or (ii) withhold any taxes that the General Partner determines are required to be withheld pursuant to FATCA. Moreover, any Shareholder that fails to comply with the above shall, to the fullest extent permitted by law, exculpate and indemnify each Indemnitee, including any member of the Sub-Fund's "expanded affiliated group" within the meaning of Section 1471(e)(2) of the Code, for any Liabilities related to such failure. If requested by the General Partner, the Shareholder shall execute any and all documents, opinions, instruments and certificates as the General Partner shall have reasonably requested or that are otherwise required to effect the foregoing. Alternatively, the General Partner may exercise any power of attorney granted to it pursuant to the Application Form on behalf of each such Shareholder to execute any such documents, opinions, instruments or certificates on behalf of such Shareholder in order to carry out the above.

Taxes in Other Jurisdictions

Prospective investors should also consider the potential U.S. state, local and foreign tax consequences of an investment in the Sub-Fund. In addition to being taxed in its own state or locality of residence, a beneficial owner of a Share may be subject to tax return filing obligations and income, franchise and other taxes in jurisdictions in which the Sub-Fund operates. Potential investors should consult their own tax advisors regarding the state, local and foreign tax consequences of an investment in the Sub-Fund.

The Sub-Fund may suffer taxation at source on interest and dividends in the jurisdiction in which an investment is located for which Shareholders may be able to claim a tax credit or exemption in their home jurisdiction. The Sub-Fund may also be liable to local taxation in certain jurisdictions if it, or an entity in which it has an interest, sells shares of a company resident in that jurisdiction. Shareholders may be entitled to a tax credit or exemption in their home jurisdiction for any such tax or a reduction in the rate of such tax under applicable tax treaties.

CERTAIN LUXEMBOURG TAX CONSIDERATIONS

The summary below is general in nature and is not intended to be exhaustive. The summary below is based on current Luxembourg tax law as at the date of this Memorandum which is subject to change, possibly with retrospective effect. The summary below relates to the position of persons who are beneficial owners of Shares and may not apply to certain classes of persons. It is not intended to constitute advice to any person and should not be so construed. Prospective investors should consult their own tax advisers as to the tax implications of acquiring, holding and disposing of Shares in the Sub-Fund and as to the provisions of the laws of the jurisdiction in which they are subject to tax.

The Fund

Under current law and practice, the Fund, as a Luxembourg partnership limited by shares ("**SCA**"), governed by the RAIF Law, is not liable to Luxembourg corporate income tax, municipal business tax and net wealth tax.

The Fund is subject to an annual subscription tax (*taxe d'abonnement*) of 0.01%, calculated and payable quarterly, on the aggregate net assets of the Fund at the end of each quarter, with various exemptions available; e.g., if the Fund invests in other Luxembourg portfolio funds, which in turn are subject to the Luxembourg annual subscription tax, no tax is due from the Fund on the portion of the assets invested therein.

No stamp duty or other tax is payable in Luxembourg on the issue or transfer of Shares by the Fund, except a fixed registration duty of EUR 75 which is paid upon the Fund's incorporation or any amendment of its Articles.

The Fund, being a SICAV-RAIF and due to its financing activity with borrowers established within and outside the EU will qualify as a taxable person for VAT (as defined below) purposes. In so far as the Fund provides interest-bearing loans to borrowers established outside of the EU it should have the right to partial recovery of input VAT.

It will have to register for value added tax ("**VAT**") in Luxembourg within 15 days from the start of its non-EU financing activity. Management services (including portfolio/asset management services, administrative services needed for the daily management of the Fund (i.e., Net Asset Value calculation, fund accounting, transfer agent, central administration etc.), investment advisory services and risk management services) rendered to the Fund and located in Luxembourg should in principle be VAT exempt. Such VAT exemption also applies to "outsourced" management/advisory services provided certain conditions are met.

Such services should therefore not trigger the application of Luxembourg VAT. Other services will generally be subject to Luxembourg VAT 16% (17% in 2024), either directly (when invoiced by or reimbursed to a Luxembourg based entity) or indirectly (when invoiced by or reimbursed to a non-Luxembourg entity). In so far as the Fund provides interest-bearing loans to borrowers established outside of the EU it is expected that the Fund should be in a position to partially recover input VAT. The Fund should have the right to recover input VAT incurred on costs related to its non-EU financing activity, while input VAT incurred in relation to its EU financing activity (if any) should not be recoverable. In addition, input VAT on overhead costs which cannot be attributed to a specific activity could be partially deductible by applying a partial recovery method.

Luxembourg Withholding Taxes Applicable to Distributions by the Fund

Under current Luxembourg tax law, there is no withholding tax on any distribution, redemption or other payment made by the Fund to its Shareholders. There is also no withholding tax on the distribution of liquidation proceeds to Shareholders.

FATCA/CRS

Luxembourg has implemented the provisions of the Foreign Account Tax Compliance Act (FATCA) and the OECD Common Reporting Standard (CRS).

On 28 March 2014, Luxembourg concluded a Model 1 intergovernmental agreement (IGA) with the United States regarding the implementation of FATCA. The IGA was ratified by the Law of 24 July 2015 (the FATCA Law). This law aims to detect US tax evasion and requires Luxembourg Financial Institutions (FIs) to identify and document all direct (and under certain circumstances indirect) US account holders. In addition, on an annual basis, Reporting Luxembourg FIs must report certain information (incl. financial information such as account balance/value and interest and dividend payments) about these US account holders to the Luxembourg tax authorities that will exchange this information with the US tax authorities (Internal Revenue Service, IRS). Foreign FIs, which do not comply with the regulations, might face a 30% withholding tax on US-sourced income for payments made on or after 1 July 2014 regardless if they have US account holders or not.

The CRS has been incorporated in the amended EU Directive on Administrative Cooperation as regards mandatory automatic exchange of information (AEOI) in the field of taxation (DAC 2) officially adopted by the European Council on 9 December 2014. CRS has been implemented into Luxembourg law by the Luxembourg Law of 18 December 2015 (the CRS Law). CRS entered into force in Luxembourg as from 1 January 2016. The CRS Law requires Luxembourg FIs to review and collect information to identify the CRS status and/or the country of tax residence of their account holders (i.e. holders of debt or equity interest in case of an investment entity), and their Controlling Persons, if applicable. Similar to FATCA, Reporting Luxembourg FIs need to report certain information about reportable account holders on an annual basis to the Luxembourg tax authorities that will exchange this information with the foreign tax authorities.

The Fund is likely to be treated as a Luxembourg Reporting Financial Institution for FATCA and CRS purposes. As such, the Fund will be subject to the FATCA Law and the CRS Law (as amended from time to time) and the due diligence and reporting requirements mentioned above.

The Fund intends to comply with the FATCA Law and the CRS Law (as amended from time to time) to avoid local penalties and investors will be required to provide the Fund with all required information and documents in relation to FATCA and CRS. Especially, investors will be required to provide the required information in the form of a self-certification form documenting their FATCA status, CRS status and/or

tax residence (and, potentially, information regarding their direct and indirect Controlling Persons) before investing in the Fund.

The Fund will notify, every year, each natural person concerned (i.e., reportable individual investors and Controlling Persons of Passive Non-Financial Entity investors) on the personal information shared in the CRS reports, within a sufficient time period to enable the concerned person to exercise his/her data protection rights and, in any case, before the information is communicated to the Luxembourg tax authorities.

In the event that the Fund is unable to comply with its legal obligations (because, for example, investors fail to provide the Fund with the required information), the Fund may be subject to local penalties. Such amounts that are allocable to an investor may be deemed to have been distributed to such investor to the extent that the penalties reduce the amount otherwise distributable to such investor.

Investors should consult their own tax advisors regarding all aspects of this legislation in light of their particular circumstances.

Luxembourg Taxation at the Level of Non-resident Investors in the Fund

Shareholders, who are non-residents of Luxembourg and who do not have either a permanent establishment or a permanent representative in Luxembourg to which or to whom the Shares are allocated, are not liable to any Luxembourg income tax on income received and capital gains realized upon the sale, disposal or redemption of the Shares.

Non-resident corporate Shareholders which have a permanent establishment or a permanent representative in Luxembourg, to which the Shares are allocated, must include any income received, as well as any gain realized on the sale, disposal or redemption of Shares in their taxable income for Luxembourg tax assessment purposes. The same inclusion applies to non-resident individuals, acting in the course of the management of a professional or business undertaking, who have a permanent establishment or a permanent representative in Luxembourg to which the Shares are allocated. Taxable gains are determined as being the difference between the sale, repurchase or redemption price and the lower of the cost or book value of the Shares sold or redeemed.

INFORMATION REPORTING

Information relating to investments in the Fund may be required to be provided to tax authorities in certain circumstances pursuant to certain domestic and international reporting and transparency regimes. This may include (but is not limited to) information relating to the value of the investment, amounts paid or credited with respect to the investment, details of the investors or beneficial owners of the investment (or the persons for whom the investment is held), details of the persons who exercise control over entities that are, or are treated as, investors, details of the persons to whom payments derived from the investment are or may be paid and information and documents relating to the investment. Information may be required to be provided by, amongst others, the Fund, investors, persons by (or via) whom payments derived from the investments are made or who receive (or would be entitled to receive) such payments, persons who effect or are a party to transactions relating to the investments and certain registrars or administrators. In certain circumstances, the information obtained by a tax authority may be provided to tax authorities in other countries. In order to enable these requirements to be met, investors may be required to provide information to the Fund or to other persons.

Exchange of Information Pursuant to DAC 6

On May 25, 2018, the EU Council adopted a directive (2018/822 amending Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation) ("**DAC6**") that imposes mandatory disclosure requirements for certain EU cross-border tax arrangements which satisfy certain "hallmarks" provided for in DAC6 and which may have a tax advantage as the main or expected benefit (the "**Reportable Arrangements**"). In the case of a Reportable Arrangement, the information that must be reported includes the name of all relevant taxpayers and intermediaries as well as an outline of the Reportable Arrangement, the value of the Reportable Arrangement and identification of any member states likely to be concerned by the Reportable Arrangement. The reporting obligation in principle rests with persons that design, market or organize the Reportable Arrangement and professional advisors

(intermediaries). However, in certain cases, the taxpayer itself can be subject to the reporting obligation. The information reported will be automatically exchanged between the tax authorities of all EU Member States.

DAC6 was transposed into Luxembourg domestic legislation by the law of 25 March 2020 (the "**DAC6 Law**") and is applicable as from July 1, 2020. Further to the Luxembourg law dated 24 July 2020, the first reporting on DAC6 started on January 1, 2021 at which point Reportable Arrangements must be reported within 30 days.

In light of the broad scope of DAC6 and DAC6 Law, transactions carried out by the Fund / Sub-Fund may fall within the scope of DAC6 and thus be reportable. Potential investors should consult their own tax advisors regarding all aspects of the implementation of these laws and directives as it affects their particular circumstances.

IRISH TAXATION

The following is a summary based on the laws and practices currently in force in Ireland of certain matters regarding the tax position of the Fund. The summary does not constitute tax or legal advice and the comments below are of a general nature only and do not discuss all aspects of Irish taxation that may be relevant.

The Fund will seek to ensure that it does not become subject to Irish income or corporation tax as a consequence of the activities of the AIFM. The Fund intends to conduct its affairs in such a manner, so far as it considers reasonably practicable, to ensure that it comes within an exemption from Irish income and corporation tax contained in sections 1035A and 1040 of the Irish Taxes Consolidation Act, 1997 (the "**Exemption**"). The Exemption removes the charge to Irish tax on the profits of a financial trade exercised in Ireland by a non-resident person (e.g., the Fund) solely through an agent (e.g., the AIFM) where, throughout the chargeable period: (a) the agent is an "authorised agent," (b) the trade is a financial trade, (c) the agent is independent in relation to the non-resident person within the meaning of section 1035A and (d) the agent is acting on behalf of the Fund in the ordinary course of its authorised business.

TAX CONSEQUENCES IN CERTAIN OTHER JURISDICTIONS

The following statements do not purport to deal with all of the tax consequences applicable to all categories of investors, some of whom may be subject to special rules, and do not constitute tax advice. For all investors, it is assumed that they are holding their Shares for personal investment purposes.

Investors and potential investors are advised to consult their professional advisors concerning possible taxation or other consequences of purchasing, holding, selling, converting or otherwise redeeming the Shares under the laws of their country of incorporation, establishment, residence, or domicile, and in the light of their particular circumstances.

The following statements on taxation are based on advice received by the Fund regarding the law and practice in force at the date of this Memorandum. There is no guarantee that tax laws and practices will not change so that the following general discussion of tax matters is no longer accurate. As it is the case with any investment, there can be no guarantee that the tax position or proposed tax position prevailing at the time an investment is made in the Fund will endure indefinitely.

TAXATION OF AUSTRIAN INVESTORS

General Information on Taxation of Investors in the Sub-Fund

The Sub-Fund is expected to fall within the definition of an alternative investment fund and be a tax reporting fund registered with the Oesterreichische Kontrollbank ("**OeKB**"). Investment funds are transparent according to Austrian tax law. This means that income from the Sub-Fund is not taxed at the Sub-Fund level but at investor level (tax transparent). The Sub-Fund will appoint an Austrian tax representative to calculate and report deemed distributed income ("**DDI**") to the OeKB. The OeKB publishes the DDI figures on their website for Austrian depository banks and investors to apply withholding tax or include in their tax returns, as relevant.

Taxation of Investors on Distributions (Actual and Deemed Distributions)

Austrian resident individual investors will be taxable on distributions. The additional accumulated income derived by a tax reporting investment fund is taxable annually as DDI on the investors. Accordingly, any income distributions to investors that have already been brought into tax and reported to the OeKB are subtracted from the year end DDI calculations and, as such, are not subject to double taxation.

The annual DDI is subject to "*Kapitalertragsteuer*" tax ("**KESt**") for Austrian resident individuals. If the Shares are held in a securities account with an Austrian bank, the KESt is directly withheld by the Austrian bank as a final tax. Thus, the investor does not need to include the DDI in their personal tax returns.

If the Shares are held in a securities account with a foreign bank, the tax withholding does not apply and the taxable DDI must be included in the individual's personal income tax return.

Taxation of Investors on Redemption of Shares

If individuals sell their Shares, the difference between the redemption price and the adjusted purchase price is subject to KESt irrespective of the holding period.

The adjusted purchase price is the initial purchase price of the Shares increased by already taxed DDI on undistributed income. Expenses related to the investor's fund depository account (financing costs, custody account fees or bank charges) and incidental acquisition costs (such as redemptions charges) may not be recognised for tax purposes when calculating the gain of the investor.

If the Shares are held in a securities account with an Austrian bank, the tax on the capital gain is withheld by the Austrian bank as a final tax. If the Shares are held in a securities account with a foreign bank, the tax withholding does not apply and the realised gains from the redemption of the Shares must be included in the individual's personal income tax return.

TAXATION OF BELGIAN INVESTORS

General Information on Taxation of Investors in the Sub-Fund

A Belgian-resident individual investor is taxable on his/her worldwide income and is subject to Belgian personal income tax pursuant to the rules applicable to the different categories of income (i.e., earned professional income, income from immovable property, income from movable property and miscellaneous income). Distributions and gains from the Sub-Fund are in principle taxable as income from "movable property."

Taxation of Investors on Distributions (Actual and Deemed Distributions)

Capital gains realised on shares are generally not taxable as long as the private individual acts within the normal management of wealth. However, pursuant to Article 19bis of the Belgium Income Tax Code 1992, capital gains realised on shares of a collective investment company that invests directly or indirectly more than 10% in debt (e.g. bonds or cash deposits) are taxable. With the investment strategy of the Sub-Fund, it is expected that the Sub-Fund will be a collective investment company that invests directly or indirectly more than 10% in debt-related assets.

"Belgian Taxable Income per Share" figures are not intended to be available. Therefore, the investor will be taxed based on the Belgian Asset Test ratio valid at their redemption date. The Sub-Fund intends to provide the Belgian Asset Test ratio to investors.

If a Belgian paying agent is involved, the tax will be levied as a (final) withholding tax. Otherwise, private individual shareholders will have to declare the taxable income in their personal income tax return, and the taxation will be paid through the income tax assessment notice (the prevailing tax rate would be applicable, unless the individual opts for global income rates). It should be noted that capital losses are never deductible.

Other Belgian Tax Considerations

Tax on Securities Accounts

Although there is no general wealth tax in Belgium, there is a similar tax, i.e., the tax on securities accounts, that is a tax on securities accounts has been imposed on Belgian-resident individual taxpayers with over €1,000,000 on average in Belgian and foreign securities accounts combined. Under this tax, which is withheld and declared by Belgian banks and brokers, Belgian residents are subject to tax on their Belgian and foreign securities accounts. The taxable base is equal to the total average value of the financial instruments calculated on a quarterly basis.

Shares in collective investment companies (such as the Sub-Fund) held in a securities account will be taken into account in determining whether the above €1,000,000 threshold is met.

Tax on Stock Exchange Transactions and Certain Other Transactions

Tax on Stock Exchange Transactions ("**TSET**") may apply to Belgian individual investors to redemptions and disposals of shares in investment companies; *provided that* the transaction is executed via a Belgian financial intermediary. The tax is also due if shares are purchased or sold via a non-Belgian financial intermediary; *provided that* the order for the transaction was given by a Belgian investor. In such cases, Belgian investors are liable for the stock exchange tax, unless they can prove that this liability has already been paid.

The subscription for Shares in the Sub-Fund is not subject to the Belgian TSET.

However, as a general rule, transactions for monetary consideration on the Shares of the Sub-Fund is subject to a TSET; *provided that* (i) the transaction is concluded or executed through a professional intermediary and (ii) the transaction is (deemed) concluded or executed in Belgium.

TAXATION OF GERMAN INVESTORS

General Information on Taxation of Investors in the Sub-Fund

From a German tax perspective, the Sub-Fund should qualify as an opaque investment fund pursuant to sec. 1 (2) of the German Investment Tax Act (*Investmentsteuergesetz*, "**GITA**"), but not as a special investment fund pursuant to sec. 26 GITA. The Sub-Fund intends to submit an application with the German Tax Authorities to obtain a status certificate within the meaning of sec. 7 (3) GITA to confirm its status as an investment fund in Germany.

Due to its investment strategy and the nature of the assets to be held, the Sub-Fund should not qualify as an equity fund, mixed fund or (foreign) real estate fund pursuant to sec. 2 (6), (7) and (9) GITA. As such, partial tax exemptions pursuant to sec. 20 GITA should not be available for the Investment Income (as defined below) received by the German investors. Due to the qualification as an investment fund also the tax exemptions pursuant to sec. 3 no. 40 of the German Income Tax Act and sec. 8b of the German Corporate Income Tax Act should not be available for German investors.

The Sub-Fund intends to provide the annual lump sum and distribution figures to investors.

Taxation of Investors on Distributions (Actual and Deemed Distributions)

Investors resident in Germany should be taxable on the following so-called "**Investment Income**" arising over the calendar year ("Year X") which is:

(a) distributions by the Sub-Fund during Year X (including capital repayments, subject to exceptions);

(b) a yearly lump sum amount (so-called *Vorabpauschale*) deemed to arise on the first business day of Year X; and

(c) capital gains from a disposal or redemption of Shares in the Sub-Fund during Year X. The lump sum amount referred to as item (b) above is calculated as follows:

(70% of the redemption price of Shares at the beginning of the previous Year X-1) x (basic interest rate) – (distributions of the Year X-1)

The basic interest rate used in the formula above is published yearly by the German Federal Ministry of Finance. If the basic interest rate is negative, zero percent is used in the formula, effectively removing the lump sum amount. The lump sum amount is limited to the value increase of the Sub-Fund (i.e., the difference between the redemption price at the beginning and at the end of the calendar year *plus* the distributions of the calendar year).

The lump sum amount is creditable against the capital gains (item (c)) from a later redemption of the Sub-Fund Shares.

Exceptions to the taxation of Investment Income and in particular the lump sum amount may apply in certain cases.

German resident individual investors holding Shares as private assets will be taxed on the Investment Income at a flat German income tax rate generally to be levied by the German depositary bank of the German investor by way of a final (i.e., non-creditable / non-refundable) withholding at source. Under certain circumstances (e.g., if no German withholding tax has been imposed) a German income tax assessment may be necessary for which an income tax return has to be filed that includes the relevant Investment Income.

The German controlled foreign corporation rules have to be considered, in particular if a German investor either on its own or together with affiliated persons (including a person "acting in concert" with him) directly or indirectly participates in the share capital, voting rights, profits or liquidation proceeds of the Sub-Fund or its subsidiaries to more than 50%.

TAXATION OF SWISS INVESTORS

General Information on Taxation of Private Investors in the Sub-Fund

The Sub-Fund will not submit a transparency ruling request to the Swiss Federal Tax Administration ("**SFTA**") as it is expected that it should be treated as transparent for Swiss income tax purposes. The following overview provides general income tax information for Swiss private investors who are subject to an unlimited Swiss tax liability and are invested in a foreign open-ended collective investment scheme for Swiss tax purposes based on circular letter no. 25 published by the Swiss Federal Tax Administration. The information does not take into consideration special tax treatments (e.g., collective investment schemes held as business assets or corporate investors).

The Sub-Fund intends to provide Swiss tax reporting and publish the income tax values on the official Swiss rate list (via the official Swiss Federal Tax Administration website "ictax").

Taxation of Investors on Distributions and Accumulations

Distributing Share Classes

Investment income distributed by the Sub-Fund is considered as taxable income at federal, cantonal and communal level (all cantons) for Swiss private investors. If the Sub-Fund distributes at least 70% of the total taxable income, it should qualify as a distributing fund for Swiss tax purposes. The undistributed taxable income will be carried forward and become taxable within the next business year. Funds that distribute less than 70% of the taxable income (including profit carried forward) qualify as mixed funds.

Consequently, the undistributed taxable income will be treated as accumulated income and will be annually subject to Swiss income tax. Distributions that exceed 100% of the taxable income should be qualified as capital gain. This capital gain should generally be tax-exempt in the hands of Swiss private investors.

Accumulating Share Classes

Accumulated investment income is considered as taxable income at federal, cantonal and communal level

(all cantons) for Swiss private investors. The accumulated income is annually subject to Swiss income tax for investors although it will not be distributed.

Taxation of Investors on Redemption of Shares and Allocated Capital Gains

Capital gains realised on the redemption of the Shares should generally not be subject to tax for Swiss private investors.

TAXATION OF UNITED KINGDOM INVESTORS

General Information on Taxation of Investors in the Sub-Fund

The Sub-Fund meets the criteria of an offshore fund under UK taxation legislation and an application intends to be made to HM Revenue & Customs ("**HMRC**") for the Sub-Fund to be treated as a reporting fund.

In broad terms, a "reporting fund" is an offshore fund that meets certain upfront and annual reporting requirements to HMRC and its shareholders. Unless expressly stated otherwise, the following is a general summary of certain UK tax consequences expected to be applicable to UK tax resident individual investors that are taxed on an arising basis, who are UK domiciled, deemed UK domiciled or not UK domiciled but to whom the UK's remittance basis of taxation does not apply. UK resident but non-UK domiciled prospective investors who claim the remittance basis of taxation for UK tax purposes should not be subject to tax on non-UK source income and gains that are not remitted to the UK.

Following the announcements made on March 6, 2024 in the UK Spring Budget, significant changes to the "non-domiciled" regime are expected to come into effect from April 2025, which may significantly impact the taxation of UK residents and non-domiciled investors.

Bond Funds – Qualifying Investments Test

Given the investment objectives of the Sub-Fund, it is expected that the 60% qualifying investment test would be met (qualifying investment for these purposes include government and corporate debt securities, cash on deposit, certain derivative contracts and holdings in other collective investment schemes which at any time in the accounting period of the person holding the interest in the offshore fund do not themselves satisfy the qualifying investment test). As a result, income distributions and reportable income by the Sub-Fund would be treated and taxed as interest (as opposed to as dividend income).

Taxation of Investors on Income Distributions (Actual and Deemed)

All income distributions by the Sub-Fund should be treated and taxed as foreign interest (converted in British pound sterling) for UK individual investors. UK investors shall be subject to tax on any foreign exchange resulting from the conversion into British pound sterling.

In addition, the excess of the reportable income per share (broadly net adjusted accounting income excluding realised and unrealised capital gains and losses) is the excess reportable income that is taxable on investors as a deemed interest (on an annual basis) in the same way as described above. For investors that hold Shares (with reporting fund status) as at the end of the accounting year end of the Sub-Fund, the excess of reportable income is deemed to arise 6 months after this date (i.e., on June 30 each year).

The Sub-Fund intends to publish the investor tax report, detailing the excess reportable income per share figures for each period.

Taxation of Investors on Redemption of Shares

For Shares with reporting fund status, any gains on redemptions of these holdings would be subject to capital gains tax as opposed to income tax (if it were not a reporting fund) for individual investors. In calculating the investor's capital gains, the initial purchase price of the Shares can be adjusted to include any excess reportable income, which has already been taxed, to the extent such income has not been distributed at the time of the redemption.

Other UK Tax Considerations

The Shares issued by the Sub-Fund are not expected to be subject to UK stamp duty.

CERTAIN LUXEMBOURG LAW CONSIDERATIONS

STRUCTURE OF THE FUND

The Fund has been constituted as a Luxembourg partnership limited by shares qualifying as an umbrella investment company with variable share capital – reserved alternative investment fund (*société d'investissement à capital variable – fonds d'investissement alternatif réservé*) governed by the RAIF Law and the 1915 Law as well as an alternative investment fund under the 2013 Law, but is not subject to any product supervision by the Luxembourg financial sector regulator, the CSSF. As an umbrella structure, the Fund will be comprised of one or more sub-funds that may each feature one or more Classes of Shares. Pursuant to the investment objective and policies of the Fund, each sub-fund must be in compliance with the limits and restrictions set forth in this Memorandum and any other private placement memorandum, as applicable, issued in connection with such sub-fund. As of the date of this Memorandum, the Fund has one sub-fund, KIT.

The Articles have been filed with the Luxembourg Register of Commerce and Companies (*Registre de Commerce et des Sociétés - RCS*), where they are available for inspection, and have been published in the Luxembourg electronic platform of companies and associations (*Recueil Electronique des Sociétés et Associations*) on December 28, 2023. Copies of the Articles may also be obtained at the registered office of the Fund.

The Fund is not subject to the authorization or ongoing supervision of the CSSF or any other Luxembourg regulatory or supervisory authority.

The management of a Luxembourg partnership limited by shares (*société en commandite par actions)* is carried out by one or more managers, who may but need not be the general partner. The General Partner is to be designated as the manager of the Fund within the meaning of the 1915 Law as provided in the Articles. The manager(s) of a partnership limited by shares are responsible for the management of its business. As indicated in Section I, "*Summary of Principal Terms*" of this Memorandum the General Partner will ensure that the AIFM is appointed to be responsible, among others, for the Fund's risk management and portfolio management. The General Partner is liable for all the debts and obligations of the Fund (to the extent that the Fund has insufficient assets).

The limited shareholders of a Luxembourg partnership limited by shares such as the Shareholders of the Fund shall be prohibited from carrying out any act of management vis-à-vis third parties. Their liability for the debts and obligations of the Fund is limited: (i) as expressed in the Articles and this Memorandum (and any other private placement memorandum, as applicable, issued in connection with any sub-fund other than KIT) and (ii) by the 1915 Law. The Articles and this Memorandum are governed by Luxembourg law. All Shareholders will agree that (i) the Delaware Court of Chancery or, only to the extent such action or proceeding in the Delaware Court of Chancery is dismissed for lack of subject matter jurisdiction, other courts of the State of Delaware, or (ii) the United States District Court for the Southern District of New York, will have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Articles and this Memorandum and the documents to be entered into pursuant to it, except with respect to any matter reserved exclusively to the jurisdictions of the Luxembourg courts pursuant to Luxembourg law or as agreed with certain Shareholders. Notwithstanding the foregoing, (i) the General Partner and the Sub-Fund are permitted to exclude any Shareholder from the submission to jurisdiction and venue provided in the Sub-Fund Documents and (ii) nothing in the Sub-Fund Documents excludes the jurisdiction of the Luxembourg courts with respect to any matter reserved exclusively to such courts pursuant to Luxembourg law. In Luxembourg, the Regulation (EU) N° 1215/2012 of 12 December 2012 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters (the "**Brussels Regulation**") provides for the recognition and enforcement of judgments within the EU while the recognition and enforcement of judgments in any countries not provided for in the Brussels Convention is governed by treaties between Luxembourg and the relevant country or Luxembourg law rules of private international law in relation to this matter.

Prospective investors in the Sub-Fund will subscribe for Shares in the Sub-Fund pursuant to an Application Form, which will also be governed by Luxembourg law. Prospective investors whose offers to subscribe for Shares are accepted by the General Partner will become Shareholders of the Sub-Fund and will be bound by the terms of the Articles and this Memorandum.

Once an Application Form for the Sub-Fund is executed by the relevant Shareholder and accepted by the General Partner, a contractual relationship will be formed between the Shareholder and the Fund. Each Application Form will be governed by Luxembourg law and will be subject to the non-exclusive jurisdiction of the Luxembourg courts.

Shareholders generally do not have a direct ability to enforce provisions of the agreements negotiated with the Fund's or the Sub-Fund's service providers, including, without limitation, the AIFM, the Administrator or the Depositary.

The terms of the Sub-Fund, as set forth in this Memorandum, the Articles and the Application Form, will be governed by and construed in accordance with the laws of the Grand Duchy of Luxembourg.

UMBRELLA FUND STRUCTURE

The Fund is a single legal entity. However, by way of derogation from Article 2093 of the Luxembourg Civil Code and in accordance with the provisions of Article 49 of the RAIF Law, the Fund has an umbrella structure, consisting of one or several Sub-Funds, with segregated liability between its sub-funds and, accordingly, as a matter of Luxembourg law, any liability incurred on behalf of, or attributable to, any sub-fund will be discharged solely out of the assets of that sub-fund. The assets of each sub-fund are a distinct pool managed for the exclusive benefit of the shareholders of such sub-fund in accordance with the investment objective and policies of each sub-fund. The investment objective and policies and other details in relation to each sub-fund will be set out in a sub-fund memorandum issued by the Fund with respect to each sub-fund or in an additional annex hereto providing for the terms of such sub-fund, as the case may be.

Each sub-fund will constitute a distinct pool of assets comprised of all cash or other assets that have been paid or otherwise contributed to the Fund as subscription proceeds for Shares issued in respect of the relevant sub-fund, all assets that have been obtained by the relevant sub-fund with such subscription proceeds and any investment proceeds generated thereby and all other rights and benefits resulting from such assets, together with all debts, expenses, liabilities and other obligations incurred by the Fund for the account of the relevant sub-fund.

Each sub-fund will have its own investment, subscription, redemption and profit allocation and/or distribution objectives, policies and strategies. The General Partner has the power, in its sole discretion, to cause the Fund to establish a sub-fund and to determine its investment, subscription and profit allocation and/or distribution objectives, policies and strategies, in addition to any other features that are specific to the relevant sub-fund, including, by way of example only, the fee structure of the relevant sub-fund and its borrowing powers. Such objectives, policies, strategies and other features will be set out in the sub-fund memorandum issued in connection with the relevant sub-fund or in an additional annex hereto providing for the terms of such sub-fund, as the case may be. In addition, the AIFM may appoint one or more affiliates of the General Partner to be the delegate investment manager of any sub-fund as specified in the relevant sub-fund memorandum or annex. The objectives, policies, strategies and other features specific to the Sub-Fund are set forth in this Memorandum.

Investment by KIT in Other Sub-Funds of the Fund

Subject to Article 49(7) of the RAIF Law, the Sub-Fund (in such capacity, the "**Investing Sub-Fund**") may, to the extent contemplated in Section II, "*Investment Information*", subscribe, acquire and/or hold Shares to be issued or issued by one or more other sub-funds of the Fund (each, a "**Target Sub-Fund**") *provided that*:

(a) the Target Sub-Fund does not itself invest in the Investing Sub-Fund;

(b) voting rights, if any, attaching to the shares of the Target Sub-Fund are suspended to the extent they are held by the Investing Sub-Fund; and

(c) for as long as shares in the Target Sub-Fund are held by the Investing Sub-Fund, the value of such shares shall not be taken into consideration in the calculation of the net assets of the Fund or any sub-fund of the Fund for the purposes of verifying any minimum net asset requirements imposed under the RAIF Law.

CERTAIN BENEFIT PLAN CONSIDERATIONS

The following is a summary of certain considerations associated with an investment in the Sub-Fund by (i) "employee benefit plans" within the meaning of Section 3(3) of ERISA that are subject to Title I of ERISA, (ii) plans, individual retirement accounts ("**IRAs**") and other arrangements that provide for retirement income, a deferral of income in contemplation of retirement or payments to be made upon

termination of employment that are subject to Section 4975 of the Code or provisions under any other U.S. or non-U.S. federal, state, local, foreign or other laws or regulations that are similar to such provisions of ERISA or the Code (collectively, "**Similar Laws**"), and (iii) entities whose underlying assets are considered to include the assets of any of the foregoing described in clauses (i) and (ii) (each of the foregoing described in clauses (i), (ii) and (iii) referred to herein as a "**Plan**").

General Fiduciary Matters

ERISA and the Code impose certain duties on persons who are fiduciaries of a Plan subject to Title I of ERISA or Section 4975 of the Code (a "**Covered Plan**") and prohibit certain transactions involving the assets of a Covered Plan and its fiduciaries or other interested parties. Under ERISA and the Code, any person who exercises any discretionary authority or control over the administration of a Covered Plan or the management or disposition of the assets of a Covered Plan, or who renders investment advice for a fee or other compensation to a Covered Plan, is generally considered to be a fiduciary of the Covered Plan.

In considering an investment in the Sub-Fund of a portion of the assets of any Plan, a fiduciary should determine, particularly in light of the risks and lack of liquidity inherent in an investment in the Sub-Fund, whether the investment is in accordance with the documents and instruments governing the Plan and the applicable provisions of ERISA, the Code or any Similar Law relating to a fiduciary's duties to the Plan including, without limitation, the prudence, diversification, delegation of control and prohibited transaction provisions of ERISA, the Code and any other applicable Similar Laws. Furthermore, absent an exemption, the fiduciaries of a Plan should not invest in the Sub-Fund with the assets of any Plan if the General Partner, the AIFM, the Investment Manager or any of its Affiliates is a fiduciary with respect to such assets of the Plan.

Section 406 of ERISA and Section 4975 of the Code prohibit Covered Plans from engaging in specified transactions involving plan assets with persons or entities who are "parties in interest," within the meaning of ERISA, or "disqualified persons," within the meaning of Section 4975 of the Code. The acquisition and/or ownership of Shares by a Covered Plan with respect to which the Sub-Fund is considered a party in interest or a disqualified person may constitute or result in a direct or indirect prohibited transaction under Section 406 of ERISA and/or Section 4975 of the Code, unless the investment is acquired and is held in accordance with an applicable statutory, class or individual prohibited transaction exemption. In this regard, the U.S. Department of Labor has issued prohibited transaction class exemptions, or "**PTCEs**," that may apply to the acquisition and holding of investments in the Sub-Fund. These class exemptions include, without limitation, PTCE 84-14 respecting transactions determined by independent qualified professional asset managers, PTCE 90-1 respecting insurance company pooled separate accounts, PTCE 91-38 respecting bank collective investment funds, PTCE 95-60 respecting life insurance company general accounts and PTCE 96-23 respecting transactions determined by in-house asset managers. Each of the above-noted exemptions contains conditions and limitations on its application. Fiduciaries of Covered Plans considering acquiring Shares in reliance on these or any other exemption should carefully review the exemption to ensure it is applicable. There can be no assurance that all of the conditions of any such exemptions will be satisfied.

Plan Assets

Under ERISA and the regulations promulgated thereunder, as modified by Section 3(42) of ERISA (the "**Plan Asset Regulations**"), when a Covered Plan acquires an equity interest in an entity that is neither a "publicly-offered security" (within the meaning of the Plan Asset Regulations) nor a security issued by an investment company registered under the 1940 Act, the Covered Plan's assets include both the equity interest and an undivided interest in each of the underlying assets of the entity unless it is established either that less than 25% of the total value of each class of equity interest in the entity is held by "benefit plan investors" (the "**25% Test**") or that the entity is an "operating company," as defined in the Plan Asset Regulations. For purposes of the 25% Test, the assets of an entity will not be treated as "plan assets" if, immediately after the most recent acquisition of any equity interest in the entity, less than 25% of the total value of each class of equity interests in the entity is held by "benefit plan investors," excluding equity interests held by persons (other than benefit plan investors) with discretionary authority or control over the assets of the entity or who provide investment advice for a fee (direct or indirect) with respect to such assets, and any Affiliates thereof. The term "benefit plan investors" is generally defined to include employee benefit plans subject to Title I of ERISA or Section 4975 of the Code (including "Keogh" plans and IRAs), as well as any entity whose underlying assets include plan assets by reason of a plan's investment in such entity (e.g., an entity of which 25% or more of the total value of any class of

equity interests is held by benefit plan investors and which does not satisfy another exception under ERISA). Thus, absent satisfaction of another exception under ERISA, if 25% or more of the total value of any class of equity interests of the Sub-Fund were held by benefit plan investors, an undivided interest in each of the underlying assets of the Sub-Fund would be deemed to be "plan assets" of any Covered Plan that invested in the Sub-Fund.

Plan Asset Consequences

If the assets of the Sub-Fund were deemed to be "plan assets" under ERISA, this would result, among other things, in (i) the application of the prudence and other fiduciary responsibility standards of ERISA to investments made by the Sub-Fund, and (ii) the possibility that certain transactions in which the Sub-Fund might seek to engage could constitute "prohibited transactions" under ERISA and the Code. If a prohibited transaction occurs for which no exemption is available, the General Partner, the AIFM, the Investment Manager and/or any other fiduciary that has engaged in the prohibited transaction could be required to (x) restore to the Covered Plan any profit realized on the transaction, and (y) reimburse the Covered Plan for any losses suffered by the Covered Plan as a result of the investment. In addition, each disqualified person (within the meaning of Section 4975 of the Code) involved could be subject to an excise tax equal to 15% of the amount involved in the prohibited transaction for each year the transaction continues and, unless the transaction is corrected within statutorily required periods, to an additional tax of 100%. Covered Plan fiduciaries who decide to invest in the Sub-Fund could, under certain circumstances, be liable for prohibited transactions or other violations as a result of their investment in the Sub-Fund or as co-fiduciaries for actions taken by or on behalf of the Sub-Fund, the General Partner, the AIFM or the Investment Manager. With respect to an IRA that invests in the Sub-Fund, the occurrence of a prohibited transaction involving the individual who established the IRA, or such individual's beneficiaries, would cause the IRA to lose its tax-exempt status.

The General Partner will use commercially reasonable efforts to (i) limit equity participation by benefit plan investors in the Sub-Fund to less than 25% of the total value of each class of equity interests in the Sub-Fund as described above or (ii) prohibit benefit plan investors from acquiring or holding any Shares. However, there can be no assurance that, notwithstanding the commercially reasonable efforts of the General Partner, the AIFM and the Investment Manager, the underlying assets of the Sub-Fund will not otherwise be deemed to include plan assets.

Plans such as governmental plans, non-U.S. plans and certain church plans, while not necessarily subject to the fiduciary responsibility or prohibited transaction rules of Title I of ERISA or Section 4975 of the Code, may nevertheless be subject to Similar Laws which may affect their investment in the Shares. **Each Shareholder which is a Plan subject to any Similar Laws will, by its acquisition and holding of any Shares or any interest in any Shares, be deemed to have represented, warranted and agreed (which representation, warranty and agreement will be deemed to be repeated for so long as such Shareholder holds any Shares or any interest therein) that the assets of the Sub-Fund will not be deemed to include the assets of any such Plan by reason of an investment therein.** Fiduciaries of any such Plans should consult with their counsel before deciding whether to acquire any Shares.

Under the Documents, the General Partner, the AIFM and the Investment Manager will have the power to take certain actions to avoid having the assets of the Sub-Fund characterized as "plan assets," including, without limitation, the right to cause a Shareholder that is a Plan to withdraw, in whole or in part, from the Sub-Fund. While the General Partner, the AIFM, the Investment Manager and the Sub-Fund do not expect that they will need to exercise such power, none of the General Partner, the AIFM, the Investment Manager or the Sub-Fund can give any assurance that such power will not be exercised.

Important Notice for Plans

This Memorandum and the Documents do not constitute an undertaking to provide impartial investment advice and it is not the General Partner, the AIFM or the Investment Manager's intention to act in a fiduciary capacity with respect to any Plan. The General Partner, the AIFM, the Investment Manager, KKR Credit and their respective Affiliates (the "**Relevant Entities**") have a financial interest in the Shareholders' investment in Shares on account of the fees and other compensation they expect to receive (as the case may be) from the Sub-Fund and their other relationships with the Sub-Fund as contemplated hereunder. Any such fees and compensation do not constitute fees or compensation rendered for the provision of investment advice to any Plan. Each Shareholder that is a Plan will be deemed, by its acquisition and holding of any Share or any interest therein, to represent, warrant and covenant that it is

advised by a fiduciary that is (i) independent of the Relevant Entities; (ii) capable of evaluating investment risks independently, both in general and with respect to particular transactions and investment strategies contemplated in this Memorandum and the Documents; and (iii) a fiduciary (under ERISA, Section 4975 of the Code or applicable Similar Law) with respect to the Plan's investment in the Sub-Fund and responsible for exercising independent judgment in evaluating the Plan's investment in the Sub-Fund and any related transactions. Each Plan is advised to contact its own financial advisor and other fiduciary unrelated to the Sub-Fund and the Relevant Entities about any decision with respect to any Shares in the Sub-Fund, as may be appropriate for the Plan's circumstances.

Under certain circumstances, Plans may be required to disclose information related to service provider compensation to the Department of Labor on Schedule C of Form 5500. The compensation-related information provided in this Memorandum is intended to satisfy the requirements of the alternate reporting method provided by the Department of Labor.

The foregoing discussion is general in nature and is not intended to be all-inclusive. Each Plan fiduciary should consult with its legal advisor concerning the considerations discussed above before making an investment in the Sub-Fund. As indicated above, Plans not subject to Title I of ERISA or Section 4975 of the Code, such as governmental Plans, certain church Plans, and non-U.S. Plans, may be subject to Similar Laws containing fiduciary responsibility and prohibited transaction requirements similar to those under ERISA and the Code (as discussed above). Accordingly, fiduciaries of Plans, in consultation with their advisors, should consider the impact of their respective laws and regulations on an investment in the Sub-Fund.

EACH PLAN FIDUCIARY SHOULD CONSULT WITH ITS LEGAL ADVISOR CONCERNING THE POTENTIAL CONSEQUENCES UNDER ERISA, THE CODE, AND ANY APPLICABLE SIMILAR LAW BEFORE MAKING AN INVESTMENT IN THE SUB-FUND.

SANCTIONS

Certain countries or designated persons or entities may, from time to time, be subject to sanctions and other restrictive measures imposed by states or supranational authorities (for example, but not limited to, the EU or the United Nations), or their agencies (collectively, "**Sanctions**").

Sanctions may be imposed among others on foreign governments, state-owned enterprises, sovereign wealth funds, specified companies or economic sectors, as well as non-state actors or designated persons associated with any of the foregoing. Sanctions may take different forms, including but not limited to trade embargoes, prohibitions or restrictions to conduct trade or provide services to targeted countries or entities, as well as seizures, asset freezes and/or the prohibition to provide or receive funds, goods or services to or from designated persons.

The Fund, including each sub-fund, the AIFM, the Investment Manager, the Depositary and KKR (collectively, the "**KKR Parties**") are required to comply with all applicable sanctions laws and regulations in the countries in which KKR Parties conduct business (recognizing that certain of the sanctions regimes have implications for cross-border or foreign activities) and will implement the necessary policies and procedures to this effect (collectively, "**Sanctions Policies**"). These Sanctions Policies will be developed by KKR Parties in their discretion and best judgment and may involve protective or preventive measures that go beyond the strict requirements of applicable laws and regulations imposing any Sanctions. Under no circumstances will KKR Parties be liable for any losses suffered by the Fund or any of its sub-funds because of the imposition of Sanctions, or from their compliance with any Sanctions Policies. Please refer to Section XII, "*Risk Factors*" of this Memorandum for additional information.

MANAGEMENT OF CONFLICTS OF INTEREST

In the conduct of its business the AIFM's policy is to identify, manage and where necessary prohibit any action or transaction that may pose a conflict between the interests of the AIFM and the Fund, or any of its sub-funds or its Shareholders. The AIFM has implemented procedures designed to ensure that business activities involving a conflict which may harm the interests of the Fund or its Shareholders are carried out with an appropriate level of independence and that conflicts are resolved fairly.

Notwithstanding its due care and best effort, there is a risk that the organizational or administrative arrangements made by the AIFM for the management of conflicts of interest are not sufficient to ensure

that risks of damage to the interests of the Fund or any of its sub-funds, or its Shareholders will be prevented. In such case, these non-neutralized conflicts of interest as well as the decisions taken will be reported to Shareholders.

Please also refer to Section XIII, "*Potential Conflicts of Interest*".

EXERCISE OF VOTING RIGHTS

The AIFM has put in place a voting rights policy. If mandated by the Fund, the decision to exercise voting rights attached to the instruments held in respect of the Fund is in the sole discretion of the AIFM.

OTHER INFORMATION REPORTING

No less frequent than annually, the Fund will provide a written report to the Shareholders containing (a) the percentage of KIT's assets which are subject to special arrangements arising from their illiquid nature, (b) any new arrangements for managing the liquidity of KIT, (c) the current risk profile of KIT and the risk management systems employed by the AIFM to manage those risks, (d) any changes to the maximum level of leverage (if any) which the AIFM may employ on behalf of KIT, as well as any right of the re-use of collateral or any guarantee granted under any leveraging arrangement, (e) the total amount of leverage (if any) employed by KIT and (f) any arrangement made by the Depositary to contractually discharge itself of liability. Without limiting the foregoing, for the avoidance of doubt, the information required by Article 23 of the AIFMD shall be disclosed by way of a report to the Shareholders or other means permitted under, and at the frequency required by, the AIFMD.

The AIFM will also (i) immediately disclose to Shareholders details of any new arrangements for managing the liquidity of KIT and (ii) without undue delay disclose to Shareholders of KIT details of any changes to the maximum level of leverage (if any) which the AIFM is permitted to employ on behalf of KIT as well as any right of the reuse of collateral or any guarantee granted under any leveraging arrangements.

XI. MANAGEMENT AND ADMINISTRATION OF THE FUND

KKR

KKR is a global investment firm founded in 1976 by Jerome Kohlberg, Henry Kravis and George Roberts. As of September 30, 2023, KKR has over $298 billion in Private Markets assets under management and over $229 billion in Public Markets assets under management.[7] KKR believes its track record of investment success has been driven by its differentiated resources, global reach and time-tested business model.[8]

During its first two decades, KKR focused on building a leading private equity business. This initial focus was important in that it allowed KKR to develop and refine financial, diligence and structuring skills – skills that are prerequisites for strength in any investment business. Throughout the 1990s, KKR remained an active private equity investor, expanding into new industries and geographies. The Firm invested considerable time and financial resources developing the knowledge and relationships required to acquire companies in complex, regulated industries such as banking, insurance and power generation and transmission.

In 2000, KKR began organizing its investment professionals into industry teams and charged them with becoming experts in their respective fields. KKR also changed its hiring practices and began recruiting people with a broader range of operational skills. The search moved beyond Wall Street and KKR hired many former CEOs and CFOs and had the management teams of its newly acquired companies work with its investment professionals and operating consultants on 100-day plans to improve company fundamentals. Since then, this industry-centric and operational approach to building value in portfolio companies has become the cornerstone of the way in which KKR evaluates and manages its equity investments.

As KKR grew and enhanced its investment approach, KKR found that its ability to source investment opportunities had become, in its view, a key differentiator between KKR and other private equity firms. KKR was frequently approached with proprietary opportunities that were not well suited for a traditional private equity investment product. KKR also found that it had developed significant intellectual capital in sectors and specific companies that it could not act upon in a traditional private equity context. As a result, the Firm identified a need to generate more flexible capital sources that would allow it to invest across corporate capital structures in both originated and secondary transactions. A more flexible capital mandate would allow KKR to capitalize more effectively on its proprietary relationships and investment research with a view to providing investors with access to dynamic risk-reward opportunities. Thus, KKR began pursuing credit investments as a separate asset class by forming KKR Credit in 2004. Additional businesses were then created in the following years including KKR's Infrastructure (2008), Energy (2008) and Real Estate (2011) businesses.

As of September 30, 2023, approximately 170 KKR Credit investment professionals manage over $202 billion of assets, primarily in corporate debt. The KKR Credit investment team's core competencies lie in corporate credit (including structured credit) and capital solutions. The team takes a fundamental analysis-based, research-intensive approach to its investment strategies.

Global Resources[9]

The KKR Credit investment teams are complemented by KKR's other investment, operational and advisory resources. KKR is a global firm with 24 offices in New York, San Francisco, Menlo Park, Houston, Hong Kong, Tokyo, Beijing, Paris, London, Dublin, Madrid, Luxembourg City, Frankfurt, Sydney, Shanghai, Singapore, Mumbai, Dubai, Riyadh and Seoul. The Firm currently employs over 700

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7 Please refer to "*Important Information*" at the beginning of this Memorandum for further information on calculation of assets under management.

8 Past performance of any KKR-sponsored fund, vehicle, account or investment is not indicative of future results of KIT.

9 All information below is as of September 30, 2023 unless otherwise stated. Participation of KKR Private Markets, KKR Capital Markets and KKR Capstone personnel in KIT's investment activities is subject to applicable law and inside information barrier policies and procedures, which may limit the involvement of such personnel in certain circumstances and the ability of the KKR Credit investment teams to leverage such integration with KKR. Discussions with Senior Advisors, Executive Advisors, Industry Advisors, KKR Advisors and employees of KKR's managed portfolio companies are also subject to inside information barrier policies and procedures, which may restrict or limit discussions and/or collaborations with the KKR Credit investment teams.

investment professionals worldwide who come from a broad spectrum of backgrounds in the areas of investing, operations, strategic consulting and finance. In managing KIT, the KKR Credit investment teams will also seek to leverage the experience and expertise of the Firm's network of Senior Advisors, Executive Advisors, KKR Advisors and Industry Advisors,[10] which includes active or former leaders of Fortune 500 companies and public agencies.

- **Private Markets**. KKR's private markets business ("**KKR Private Markets**") includes its private equity strategy investment teams, which also encompasses investment professionals focused on its dedicated energy, infrastructure and real estate strategies. The Firm's energy and infrastructure teams are focused on identifying, evaluating and executing opportunities in the energy and infrastructure sectors, respectively, for the Firm's private equity funds and its energy and infrastructure platforms. The Firm's real estate team focuses on real estate-related opportunities including property-level equity, debt and strategic investments transactions and investments in businesses with significant real estate holdings that can benefit from KKR's operational expertise. As of September 30, 2023, KKR has a total of over $298 billion in Private Markets assets under management.[11] Joe Bae, Co-Chief Executive Officer of the Firm, provides management oversight for KKR Private Markets.

- **Credit & Capital Markets.** As of September 30, 2023, KKR Credit has over $229 billion of assets under management[12] and approximately 170 dedicated investment professionals globally. KKR Credit invests across the corporate credit spectrum, including in Leveraged Credit strategies, such as syndicated bank loans and high-yield bonds, and alternative Private Credit strategies such as direct lending, junior debt, asset-based finance and strategic investments. The primary distinction between KKR's Leveraged Credit strategy and its Private Credit strategy is that Private Credit investments are primarily originated whereas Leveraged Credit investments tend to be broadly syndicated to the market. KKR Credit manages a number of investment funds, structured finance vehicles and separately managed accounts. On the capital markets side, KKR's business is established under KKR Capital Markets LLC ("**KCM**" or "**KKR Capital Markets**"). KCM was developed to provide KKR with a capital markets-oriented perspective on deal financings and portfolio investment capital structure management, as well as to give the Firm the ability to draw on creative and differentiated capital sources. KCM's professionals add value by providing insight and direct access to financing sources that help the Firm improve the capital structures of its portfolio investments. The KKR Credit and KCM businesses are run by Chris Sheldon and Adam Smith as Co-Heads. Further, Scott Nuttall, Co-Chief Executive Officer of KKR provides management oversight of KKR's Credit and KCM businesses.

- **KKR Global Client Solutions**. KKR's Global Client Solutions ("**KCS**") is KKR's global team of executives chiefly responsible for developing, structuring and maintaining collaborative partnerships with its investors. KCS brings together all teams and businesses at the Firm to deliver KKR's intellectual capital to its investing partners.

- **KKR's Global Macro & Asset Allocation Team**. KKR's Global Macro & Asset Allocation team provides the Firm with research and outlooks on the changing dynamics in the global economy. It also publishes Insights, periodic written content about macro trends and asset allocation decisions. The team works in partnership with various investment teams and KKR portfolio investments Firm-wide to assist in better decision-making and enhanced performance regarding current and potential investments. The team also includes seven professionals dedicated to hedging, derivatives and liability management. KKR believes its tactical approach to financing, hedging and cash management has been, and will continue to be, a fundamental driver of synergistic value creation within KKR Credit's pools of capital, including KIT.

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[10] Senior Advisors, Executive Advisors and Industry Advisors are engaged as consultants and are not employees of KKR. Please see "*Important Information*" at the beginning of this Memorandum for additional information. For a list of current Senior Advisors and Executive Advisors, please refer to: http://www.kkr.com/our-firm/team (see list of Senior Advisors and Executive Advisors under "View Toggle" or "Search Toggle").

[11] Please refer to "*Important Information*" at the beginning of this Memorandum for further information on calculation of assets under management.

[12] Please refer to "*Important Information*" at the beginning of this Memorandum for further information on calculation of assets under management.

- **KKR Global Institute**. Established in 2013, the KKR Global Institute provides analysis and insights about geopolitical, technological, demographic and macroeconomic developments and long-term trends that inform global investing. Drawing on the Global Macro & Asset Allocation and the Global Public Affairs (as described below) teams, the KKR Global Institute can provide valuable insights to KKR deal teams during investment processes.

- **KKR Global Public Affairs Team**. KKR's Global Public Affairs team manages external relations for the Firm and its businesses and oversees activities such as government and regulatory affairs, media relations and corporate communications, corporate marketing, corporate citizenship and environment, social and governance issues. The team works in partnership with various investment teams and KKR portfolio companies Firm-wide to assist with issues across the Firm, including managing reputational risk and issues with external stakeholders as and when they arise.

- **KKR Capstone**.[13] KKR Capstone operations executives work with KKR's portfolio investments. These differentiated resources provide KKR Credit investment teams with significant operational and strategic insight and support, as well as access to KKR's global network of relationships that includes board members, CEOs and other officers of the largest companies, political leaders, co-investors, advisory institutions and other intermediaries and service providers.

"One-Firm" Approach – A Time-Tested Business Model

Together, all KKR professionals across all business lines are compensated based on the overall success of the Firm. KKR believes a single-profit interest pool that accrues to all professionals creates an environment that promotes teamwork and motivates KKR executives to contribute their experience and abilities to each investment opportunity, as needed, regardless of the investment opportunity's location or strategy. This approach enables all of KKR's investment funds to benefit from its global reach and resources. KKR has a deeply ingrained "One-Firm" culture, with investment teams located across its offices, supported by an organization in which communication and collaboration are priorities.[14]

Environmental, Social and Governance ("ESG") Policy

Responsible investment through the thoughtful consideration of ESG-related issues is a way of doing business that KKR believes makes it a smarter, better investor. KKR leverages its investment model and its focus on operational improvements to drive decision-making on relevant ESG-related issues with its investments, including those in its private credit business. ESG considerations play an important role in its original underwriting and on-going monitoring processes across its Public and Private Market portfolios.

In 2020, KKR published a Responsible Investment Policy that describes its approach to considering ESG-related issues across KKR's businesses, including KKR Credit. While its investment approach in its Private Credit strategies do not always lend themselves to the same level of ESG management as its Private Markets portfolios due to different governing structures and its varying levels of influence, KKR has nonetheless sought to thoughtfully integrate responsible investment strategies into its private credit investments where conditions allow. The process includes early screening for critical risks through KKR's "gating issues" list, followed by an evaluation of a company's material ESG-related issues. The policy also describes roles and responsibilities. KKR's Global Public Affairs Team represents the core of the ESG-related expertise at KKR. The Global Public Affairs Team is involved in the due diligence process for most potential credit investments where key ESG considerations are at stake. There are approximately 20 professionals dedicated to ESG, stakeholder, regulatory and public policy management. Furthermore, KKR has a long history of investing in impact-related opportunities whose business models address food safety, alternative energy, environmental services, clean water, learning and workforce

[13] Please see "*Important Information*" at the beginning of this Memorandum for additional disclosure regarding KKR Capstone. KKR Capstone is an affiliate of KKR.

[14] Please refer to "*Important Information*" at the beginning of this Memorandum for further information on KKR's inside information barrier policies and procedures, which may limit the involvement of personnel in certain investment processes and discussions.

development and industrial safety through its private equity and infrastructure funds. The Firm raised $1.3 billion in equity commitments for its first impact fund, KKR Global Impact Fund SCSp, in 2020.

Overall, several individuals across KKR have a role in managing ESG issues, including investment team members and KKR's legal and compliance team. Its investment committees oversee ESG issues that are material to an investment and that have been raised to their attention when making an investment decision. KKR's portfolio management committees and investment professionals have implementation roles with respect to material ESG issues that have been identified in the investment process. KKR has been publicly committed to being a responsible investor since it became a signatory of the Principles for Responsible Investment ("**PRI**") in 2009 and seeks to make continuous improvements to its approach. In particular, there is a focus on finding meaningful ways to create sustainable value in its investments where KKR has influence and meaningful control. This includes diligence of material ESG and stakeholder considerations prior to making an investment and thoughtful tracking and management of these issues over the life of the investment. KKR's Responsible Investment Policy, more information about the tools it utilizes across the investment process, and KKR's annual ESG, Impact and Citizenship Report are available at www.kkresg.com.

ESG and KKR Private Credit

Please see Appendix 2 "*Alternative Fund Managers Directive and Sustainable Finance Disclosure Regulation — SFDR Disclosures — Integration of Sustainability Risks in Investment Decisions*" below for further information regarding the integration of ESG considerations into KKR's investment process.

AIFM

KKR Alternative Investment Management Unlimited Company, an Irish unlimited company with share capital and an Affiliate of KKR, has been appointed as the external alternative investment fund manager of the Fund.

The AIFM was established in February 2014 and authorised on July 18, 2014 by the Central Bank of Ireland as an alternative investment fund manager under the Irish AIFM Regulations. The AIFM will be responsible for managing the Fund in accordance with the AIFMD. The AIFM is in charge of, *inter alia*, the portfolio management and the risk management, oversight, valuation and certain other functions of the Fund, but it has delegated the day-to-day portfolio management function in respect of each sub-fund (including KIT) to the Investment Manager.

The AIFM will be responsible for the proper and independent valuation of the assets of the Fund.

The AIFM has been appointed by the Fund pursuant to the AIFM Agreement as the Fund's external alternative investment fund manager within the meaning of the Irish AIFM Regulations.

The AIFM will manage the Fund in accordance with this Memorandum, the Articles and Luxembourg laws and regulations in the best interests of the Shareholders.

The AIFM has been permitted by the Fund to appoint delegates in relation to its functions in accordance with the AIFMD. Information about conflicts of interests that may arise from these delegations and that is not already disclosed in this Memorandum and any other private placement memorandum, as applicable, issued in connection with a sub-fund other than KIT, is available at the registered office of the AIFM.

The AIFM will monitor on a continuing basis the activities of the third-parties to which it has delegated functions. The agreements entered into between the AIFM and such third-parties provide that the AIFM may give at any time further instructions to such third-parties, and that it may withdraw their mandate under certain circumstances.

All delegations will be carried out in accordance with the AIFMD. To the extent required by applicable laws and regulations, the AIFM will establish, implement and maintain a remuneration policy which meets the requirements of, and complies with, the principles set out in the AIFMD and the ESMA Remuneration Guidelines (ESMA/2013/201). The AIFM's remuneration policy will apply to staff whose professional activities which have a material impact on the Fund's and each sub-fund's risk profile and so will cover senior management, risk takers, control functions and any employee receiving total remuneration that takes them into the same remuneration bracket as senior management and risk takers and whose professional activities have a material impact on the risk profile of the Fund and each sub-

fund. Accordingly, such remuneration policy will be consistent with, and promote, sound and effective risk management and will not encourage risk-taking which is inconsistent with the risk profile of the Fund and each sub-fund.

The rights and duties of the AIFM are set forth in the AIFM Agreement, which defines if and under what conditions the AIFM may delegate its functions and if the AIFM may solicit advisors.

The AIFM will ensure the fair treatment of the Fund's Shareholders. For instance, by ensuring that conflicts of interest are identified and appropriately managed, and that risks are properly identified, monitored and managed. In addition, the AIFM will ensure that the investment strategy, risk profile and activities of KIT are consistent with its objectives and this Memorandum.

The AIFM will seek to cover its professional liability risks resulting from its activities as an AIFM by holding professional indemnity insurance in accordance with the AIFMD which is appropriate to the risks covered. Investors should take into consideration the risk that if certain conditions are met, the AIFM may resign from its duties without being held liable. These conditions are defined in the AIFM Agreement which is available to Shareholders upon request and free of charge at the registered office of the Fund and/or the AIFM.

The AIFM will employ an appropriate liquidity management policy and has adopted documented procedures which enable it to monitor the liquidity risk of KIT and ensure that the liquidity profile of KIT's investments enable KIT to satisfy redemptions (to such limited extent as is contemplated in this Memorandum). The AIFM's liquidity management procedures will be reviewed on at least an annual basis. The AIFM will conduct stress testing on an ongoing basis under normal and exceptional liquidity conditions, having regard to a range of issues, including KIT's investment strategy and the fact that withdrawals are not generally permitted.

The AIFM will seek in its decision-making procedures and organizational structures to ensure fair treatment of all Shareholders by adhering to applicable laws, any relevant policies and procedures it has adopted in respect of KIT and the terms of KIT as set forth in Sub-Fund Documents.

Investors do not have any direct contractual rights against the AIFM as the AIFM's contractual relationship is with the Fund.

INVESTMENT MANAGER

The AIFM, with the consent of the Fund, has appointed KKR Credit Advisors (Ireland) as Investment Manager for the sub-funds of the Fund (including KIT).

The Investment Manager, in the execution of its duties and the exercise of its powers, shall be responsible for compliance with the investment policy and restrictions of the Fund, under the ultimate supervision and responsibility of the AIFM. The Investment Manager will further be responsible for monitoring the overall portfolio of the Fund and determining the required ratios in order to keep a satisfactory level of liquidity within the Fund.

The Investment Manager performs its services pursuant to a Delegate Management Agreement entered into with the Fund and the AIFM. The Delegate Management Agreement is entered into for an undetermined duration and may be terminated at any time by either party or unilaterally by the AIFM in case this is in the best interest of the Shareholders.

The Investment Manager will be entitled to receive a portion of the Management Fee and the entire Incentive Fee payable by KIT, as contemplated in the Delegate Management Agreement.

KIT INVESTMENT PROCESS

The relevant KKR Credit investment committees for each strategy that KIT will pursue (including directly and indirectly through K-FIT) oversee KIT's investments and are also responsible for investment decisions by the other KKR investment funds and accounts alongside which KIT will invest. These committees provide quality control over KKR Credit's due diligence process and will provide advice and guidance in pricing and structuring. KKR Credit's investment committee process seeks to leverage the combined global investment experience and perspectives of some of KKR's most senior and experienced

professionals in the review of potential investment opportunities against KIT's investment criteria consistent with the Firm's global best-practices.

CENTRAL ADMINISTRATION AGENT

Pursuant to the Investment Fund Services Agreement (the "**Administration Agreement**") entered into between the Fund, the AIFM and The Bank of New York Mellon SA/NV, Luxembourg Branch ("**BNY**"), having its registered office at 2-4 rue Eugène Ruppert, L-2453 Luxembourg, Grand Duchy of Luxembourg, BNY has been appointed as Central Administration Agent and registrar and transfer agent of the Fund (the "**Administrator**").

As Central Administration Agent, the Administrator is responsible for, *inter alia*, the calculation of the Net Asset Value per Share, the keeping and maintenance of the books and records of the Fund and the Sub-Fund and other administrative functions.

As registrar and transfer agent, the Administrator is responsible for processing the issue, redemption, transfer and conversion of Shares in the Fund and the Sub-Fund, for the settlement arrangements thereof, as well as for keeping official records of the Shareholder's Register. Moreover, the Administrator will be responsible for the administration of allocations and distributions in respect of Classes and/or Series (if any) issued by the Sub-Fund and certain investor communications. Any fees paid by the Sub-Fund to the Administrator will be on an arm's-length basis in line with market practices.

In order to provide these services, the Administrator must enter into outsourcing arrangements with third party service providers in or outside the European Union (the "**Sub-contractors**"). As part of those outsourcing arrangements, the Administrator may be required to disclose and transfer personal and confidential information and documents about a Shareholder and individuals related to the Shareholder (the "**Related Individuals**") (such as identification data – including the Shareholder and/or the Related Individual's name, address, national identifiers, date and country of birth, etc. – account information, contractual and other documentation and transaction information) (the "**Personal Confidential Information**") to the Sub-contractors. In accordance with Luxembourg law, the Administrator is required to provide a certain level of information about those outsourcing arrangements to the Fund, which, in turn, must be provided by the Fund to the Shareholders.

A description of the purposes of the said outsourcing arrangements, the Personal Confidential Information that may be transferred to Sub-contractors thereunder, as well as the country where those Sub-contractors are located is therefore set out in the table below**.**

Type of Confidential Information transmitted to the Sub-contractors	Country where the Sub-contractors are established	Nature of the outsourced activities
Personal Confidential Information (as defined above)	India, Poland, Ireland, United States of America, Germany, United Kingdom	• Transfer agent/ shareholders services (incl. dealing input and authorisation, cash processing and settlement, contract note preparation, account opening, AML and other data maintenance, and account and global reconciliation) • Treasury and market services • IT infrastructure (hosting services, including cloud services) • IT system management / operation services • IT services (incl. development and maintenance services) • Reporting and other shareholder communication • Investor services activities • Trade capture, Net Asset Value valuations, cash processing and reconciliation, financial reporting, pricing (incl. OTC), corporate actions

Personal Confidential Information may be transferred to Sub-contractors established in countries where professional secrecy or confidentiality obligations are not equivalent to the Luxembourg professional secrecy obligations applicable to the Administrator. In any event, the Administrator is legally bound to, and has committed to the Fund that it will enter into outsourcing arrangements with Sub-contractors which are either subject to professional secrecy obligations by application of law or which will be contractually bound to comply with strict confidentiality rules. The Administrator further committed to the Fund that it will take reasonable technical and organizational measures to ensure the confidentiality of the Personal Confidential Information subject to the data transfer and to protect Personal Confidential Information against unauthorised processing. Personal Confidential Information will therefore only be accessible to a limited number of persons within the relevant Sub-contractor, on "a need to know" basis and following the principle of the "least privilege". Unless otherwise authorised/required by law, or in order to comply with requests from national or foreign regulatory authorities or law enforcement authorities, the relevant Personal Confidential Information will not be transferred to entities other than the Sub-contractors.

DOMICILIATION AGENT

Avega S.à r.l., a private limited liability company established under the laws of Luxembourg, having its registered office at 2, rue Edward Steichen, L-2540 Luxembourg, registered with the Luxembourg *Registre de Commerce et des Sociétés* under no. B123099 has been appointed to act as the domiciliary agent by the Fund. The domiciliary agent is responsible for the domiciliation of the Fund and acts as corporate agent of the Fund. Any fees received by the domiciliary agent will be on an arm's-length basis in line with market practices.

DEPOSITARY AND PAYING AGENT

The Fund has appointed The Bank of New York Mellon SA/NV, Luxembourg Branch (the "**Depositary**") as depositary of the Fund with responsibility for the:

(a) safekeeping of the assets (i.e., custody of all financial instruments and verification of ownership of all the other assets of the Fund),

(b) oversight duties,

(c) cash flow monitoring, and

(d) paying agent functions

pursuant to the Depositary Agreement entered into between the Fund, the AIFM and the Depositary (the "**Depositary Agreement**").

The Depositary is a credit institution organized and existing under the laws of Belgium, with company number 0806.743.159, whose registered office is Boulevard Anspachlaan 1, B-1000 Brussels, Belgium, and it is acting through its Luxembourg branch, located in the Grand Duchy of Luxembourg at 2-4 Rue Eugène Ruppert, L-2453 Luxembourg, and registered with the RCS under number B105087. It is licensed to carry out banking activities under the terms of the Luxembourg law of April 5, 1993 on the financial services sector, as amended, and specializes in custody, fund administration and related services. The Bank of New York Mellon SA/NV's equity capital as at September 30, 2023 amounted to approximately EUR 1.754 billion.

The Depositary has been authorised by the Fund to delegate its safekeeping duties (i) to delegates in relation to Other Assets and (ii) to sub-custodians in relation to Financial Instruments and to open accounts with such sub-custodians. For the purpose of this paragraph, the terms "**Other Assets**" and "**Financial Instruments**" shall have the same meaning as ascribed thereto in the Depositary Bank and Principal Paying Agent Agreement.

The Depositary shall act honestly, fairly, professionally, independently and solely in the interests of the Fund and the Shareholders in the execution of its duties under the Depositary Bank and Principal Paying Agent Agreement. Any fees paid by the Fund to the Depositary will be on an arm's-length basis in line with market practices.

Under its oversight duties, the Depositary will:

- ensure that the sale, issue, repurchase, redemption and cancellation of Shares effected on behalf of the Fund are carried out in accordance with the Articles;
- ensure that the value of Shares is calculated in accordance with the Articles;
- carry out the instructions of the Fund or the AIFM acting on behalf of the Fund unless they conflict with the Articles;
- ensure that in transactions involving the Fund's assets, the consideration is remitted to the Fund within the usual time limits; and
- ensure that the income of the AIFM is applied in accordance with the Articles.

The Depositary will also ensure that cash flows are properly monitored in accordance with the Depositary Bank and Principal Paying Agent Agreement.

Depositary's Conflicts of Interests

From time to time conflicts of interests may arise between the Depositary and the delegates, for example where an appointed delegate is an affiliated group company which receives remuneration for another custodial service it provides to the Fund. On an ongoing basis, the Depositary analyses, based on applicable laws and regulations, any potential conflicts of interests that may arise while carrying out its functions. Any identified potential conflict of interest is managed in accordance with BNY's conflicts of interests policy which is subject to applicable laws and regulations for a credit institution according to and under the terms of the Luxembourg law of April 5, 1993 on the financial services sector, as amended.

Further, potential conflicts of interest may arise from the provision by the Depositary and/or its Affiliates of other services to the Fund, the AIFM and/or other parties. For example, the Depositary and/or its

Affiliates may act as the depositary, custodian and/or administrator of other funds. It is therefore possible that the Depositary (or any of its Affiliates) may in the course of its business have conflicts or potential conflicts of interest with those of the Fund, the AIFM and/or other funds for which the Depositary (or any of its Affiliates) act.

KKR has implemented and maintains a management of conflicts of interests policy, aiming namely at:

- identifying and analysing potential situations of conflicts of interests;
- recording, managing and monitoring the conflicts of interests situations in:
    - implementing a functional and hierarchical segregation making sure that operations are carried out at arm's length from the Depositary business;
    - implementing preventive measures to decline any activity giving rise to the conflict of interest such as:
        - KKR (and any third party to whom the custodian functions have been delegated) do not accept any investment management mandates;
        - KKR does not accept any delegation of the compliance and risk management functions;
        - KKR has a strong escalation process in place to ensure that regulatory breaches are notified to compliance which reports material breaches to senior management and the board of directors of KKR; and
        - A dedicated permanent internal audit department provides independent, objective risk assessment and evaluation of the adequacy and effectiveness of internal controls and governance processes.

KKR confirms that based on the above no potential situation of conflicts of interest could be identified.

An up to date information on conflicts of interest policy referred to above may be obtained, upon request, from the Depositary or via the following website link:

https://www.bnymellon.com/us/en/investor-relations/employee-code-of-conduct.html

EXTERNAL AUDITORS

Deloitte Audit, *société à responsabilité limitée*, will serve as the independent auditor of the Fund. The role of the auditor in respect of the Sub-Fund is to provide an opinion whether the financial statements of the Sub-Fund fairly present the financial position of the Sub-Fund, along with its results of operations, changes in Shareholders' capital and cash flows.

AUTHORITY OF THE GENERAL PARTNER

General

Except as otherwise provided in this Memorandum and the Articles, the management, control, operation and policy of the Fund and the Sub-Fund shall be vested exclusively in the General Partner, which shall have the power by itself (or through its duly appointed agents and/or attorneys) and shall be authorised and empowered on behalf and in the name of the Fund, including for the benefit of and otherwise with respect to the Sub-Fund to carry out any and all of the objectives and purposes of the Fund and the Sub-Fund and to perform all acts (including the payment of Fund obligations (including with respect to the Sub-Fund)) and enter into and perform all contracts and other undertakings that it may in its discretion, deem necessary or advisable or incidental thereto. Notwithstanding the foregoing, unless authorised by the CSSF, the General Partner shall not do or be authorised or required to do anything which might constitute regulated activities in the Grand Duchy of Luxembourg for the purposes of the 2013 Law, the 1993 Law or any other Luxembourg law or CSSF regulation or circular (or under any other applicable laws or regulations in other jurisdiction, as the case may be).

The General Partner will notably, on behalf of the Fund, cause the Fund to:

(a) appoint the AIFM as the alternative investment fund manager of the Fund for the purposes of the AIFMD on the basis set forth in the AIFM Agreement to perform the investment management, marketing and other functions as set out in Annex I to the AIFMD in relation to the Fund and the Sub-Fund (and, for the avoidance of doubt, to appoint the AIFM to carry out certain management obligations which are referred to in this Memorandum as being carried out by the General Partner);

(b) appoint a Luxembourg administrator to undertake administration services for the Fund;

(c) appoint a Depositary in accordance with the requirements of the AIFMD; *provided that* where the law of a country outside of the European Union requires that certain financial instruments are held in custody by a local entity and there are no local entities that satisfy the requirements of the AIFMD applicable to the delegation of custody functions by depositaries, the Depositary may discharge itself of liability subject to compliance with the conditions of Article 21(14) of the AIFMD;

(d) appoint an independent public accountant as auditor of the Fund; and

(e) appoint a Luxembourg domiciliation agent to undertake certain domiciliation services for the Fund.

Specific Authority with Respect to the Sub-Fund

Without in any way limiting the foregoing, but subject to the express restrictions set out elsewhere in this Memorandum and in the Articles, the General Partner, on behalf of the Fund, shall have the right and the power, in its sole discretion, to, or cause the Fund, including for the benefit of and otherwise with respect to the Sub-Fund to, as applicable:

(a) take all actions necessary to fulfill the Sub-Fund's objectives set forth in the Documents;

(b) identify, investigate, analyze, select, negotiate, structure, commit to, acquire, hold, manage and own investments;

(c) dispose of (including, without limitation, by way of transfer, exchange, sale, pledge, charge or other form of encumbrance, sale or redemption) or distribute to the Shareholders all or any portion of any investments or other Sub-Fund assets, whether within the ordinary course of business or otherwise;

(d) enter into purchase and sale agreements, concession agreements or any other agreement to make or dispose of investments, which agreements may include such representations, warranties, covenants, indemnities and guaranties as the General Partner deems necessary or advisable;

(e) open, maintain and close bank accounts and draw checks or other orders for the payment of monies and open, maintain and close brokerage, money market fund and other similar accounts;

(f) exercise all rights, powers, privileges and other incidents of ownership or possession with respect to investments, including, without limitation, (i) approve of a restructuring of a portfolio investment, (ii) participate in arrangements with creditors and (iii) exercise any and all voting, approval or other rights related to any investments, including, without limitation, to the extent applicable: the exercise of any options, warrants or other conversion features of such investments; and the selection of members of (x) creditors' committees, (y) the board of directors or (z) management or advisory groups, in each case, of any Portfolio Company (which members may include Shareholders or Affiliates or personnel of any Shareholder) and the foreclosure upon and liquidation of assets of any nature whatsoever securing any investment;

(g) loan funds or, if otherwise permitted pursuant to this Memorandum, borrow funds or otherwise incur indebtedness, make, issue, accept, endorse and execute promissory notes, drafts, bills of exchange, guarantees and other instruments and evidences of indebtedness, and secure the payment thereof by mortgage, charge, pledge, assignment of or creation of a security interest over any interest in all or any part of the General Partner's or the Fund's rights and entitlements under the Documents, the Sub-Fund's assets, and make any interest payments in respect of borrowings or liabilities;

(h) direct the formulation of investment policies and strategies for the Sub-Fund and select and approve investments as contemplated in the Documents;

(i) hire appraisers, custodians, auditors, attorneys, consultants, brokers, administrators, accountants, investment bankers and such other advisors or agents for the Sub-Fund;

(j) retain service providers in which KKR Affiliates have an interest or which are KKR Affiliates to provide necessary services in respect of investments and investment opportunities related to (i) asset services, (ii) services in connection with developing, sourcing or operating investment opportunities, comprising Platform Investments including developing, sourcing or operating such investments, and/or servicing and management (including turnaround) and disposition of such investments, (iii) performing and non-performing loans, including loan administration services, loan or asset resolution, restructuring and reconstruction and other services (including sourcing) that are provided or performed by asset reconstruction companies, other asset recovery firms, loan administration companies or similar companies, and (iv) local administration or management services to Portfolio Companies and other Persons through which the Sub-Fund makes a portfolio investment, in each case, as it may deem necessary or advisable, and authorize any such agent to act for and on behalf of the Sub-Fund;

(k) institute, and settle or compromise, suits, administrative proceedings and other similar matters;

(l) comply with any tax law or undertaking with any tax authority and to make, in its sole discretion, any and all elections, filings and determinations with respect to the Fund and the Sub-Fund for U.S. federal, state, local and non-U.S. tax matters;

(m) solicit proxies or consents with respect to any voting rights attaching to any asset of property comprising a portfolio investment to the extent necessary or desirable to fulfill the purposes of the Sub-Fund;

(n) indemnify banks and other financial institutions in connection with any commitment letter or similar agreement of such institutions to provide financing to the Sub-Fund or any Portfolio Company;

(o) control all other aspects of the business or operations of the Fund and the Sub-Fund (including, without limitation, with respect to any investments) that the General Partner elects to so control;

(p) enter into, execute, maintain, perform and/or terminate such other insurance policies, indemnities, contracts, undertakings, agreements, deeds and any and all other documents and instruments as may be necessary or advisable to the carrying out of any of the Fund's powers, objects or purposes, including with respect to the Sub-Fund, or to the conduct of the Fund's activities, including with respect to the Sub-Fund, including entering into instruments and other arrangements designed to reduce one or more risks associated with one or more investments; and

(q) invest in or finance (i) any Other KKR Funds in furtherance of the investment objectives of the Sub-Fund, including investing in or financing any securities or other financial instruments issued by, related to or that otherwise constitute an Other KKR Fund, and (ii) Platform Investments, which may, in each case, be sponsored, managed or advised by one or more Other KKR Funds (which may or may not include the Sub-Fund), KKR or their respective Affiliates and portfolio companies or one or more third parties.

GENERAL PARTNER'S LIABILITY; INDEMNIFICATION

Exculpation

To the fullest extent permitted by law, none of the General Partner, the AIFM, the Investment Manager, their respective Affiliates (including KKR but excluding the Fund), the Industry Advisors, the Senior Advisors, the Executive Advisors, the KKR Advisors, the Technical Consultants, KKR Capstone Executives and all officers, directors, employees, partners, equity holders, members or (to the extent specifically agreed by the General Partner on behalf of the Fund or any sub-fund (including the Sub-Fund) agents of or advisors to any of the foregoing will be liable to the Fund or to any Shareholder for any losses sustained or liabilities incurred as a result of any act or omission taken or suffered by the

General Partner or any such other Person if (a) the act or failure to act of the General Partner or such other Person was in good faith and in a manner it believed to be in, or not contrary to, the best interests of the Fund or any sub-fund (including the Sub-Fund) and (b) the conduct of the General Partner or such other Person did not constitute Malfeasance. The termination of an action, suit or proceeding by judgment, order, settlement or upon a plea of *nolo contendere* or its equivalent will not, in and of itself, create a presumption or otherwise constitute evidence that the General Partner or such other Person is not entitled to exculpation hereunder; *provided that* a final, non-appealable judgment or order adverse to the General Partner or such other Person expressly covering the exculpation exceptions set forth in sub-clause (a) or (b) above will constitute evidence that the General Partner or such other Person is not so entitled to exculpation.

Actions of Other Shareholders or Agents

The General Partner, in its capacity as General Partner of the Fund, will not, to the fullest extent permitted by law, be liable to the Fund or any other Shareholder for any action taken by any other Shareholder, nor will the General Partner (in the absence of Malfeasance by the General Partner), to the fullest extent permitted by law, be liable to the Fund, including with respect to any sub-fund (including the Sub-Fund), or any other Shareholder for any action of any agent of the Fund, including with respect to any sub-fund (including the Sub-Fund), which has been selected and retained in good faith by the General Partner with reasonable care.

Indemnification

The Fund shall indemnify and hold harmless the General Partner, the AIFM, the Investment Manager and their Affiliates, the Senior Advisors, Executive Advisors, Industry Advisors, KKR Advisors, Technical Consultants, KKR Capstone Executives and all officers, directors, employees, partners, equity holders, members and (to the extent specifically agreed by the General Partner on behalf of the Fund with respect to the Sub-Fund) agents of or advisors to any of the foregoing (each, an "**Indemnitee**"), to the fullest extent permitted by law, from and against any and all losses, claims, demands, costs, damages, liabilities, expenses of any nature (including costs of investigation and attorneys' fees and disbursements), judgments, fines, settlements and other amounts, of any nature whatever, known or unknown, liquidated or unliquidated (collectively, "**Liabilities**") arising from any and all claims, demands, actions, suits or proceedings, whether civil, criminal, administrative or investigative (collectively, "**Actions**"), in which the Indemnitee may be involved with respect to the Fund and any sub-fund, including the Sub-Fund, or threatened to be involved as a party or otherwise, relating to the performance or non-performance of any act concerning the activities of the Fund or any sub-fund, including the Sub-Fund, including acting as a creditor committee member, director or the equivalent of a Portfolio Company during the period of time in which the Sub-Fund holds an interest therein, or the performance by such Indemnitee of any of the General Partner's responsibilities hereunder, unless (a) the act or failure to act of the Indemnitee was not in good faith or not in a manner it believed to be in, or not contrary to, the best interests of the Fund or any sub-fund (including the Sub-Fund), (b) the Indemnitee's conduct constituted Malfeasance or (c) the Action arose solely out of a dispute between or among the General Partner, the AIFM, the Investment Manager or their respective members, officers, employees, partners (other than Shareholders) or equity holders (as the case may be) and the Fund is not named therein. The termination of an action, suit or proceeding by judgment, order, settlement or upon a plea of *nolo contendere* or its equivalent will not, in and of itself, create a presumption or otherwise constitute evidence that the Indemnitee is not entitled to indemnification hereunder; *provided that* a final, non-appealable judgment or order adverse to the Indemnitee expressly covering the indemnification exceptions set forth in sub-clause (a) or (b) above will constitute evidence that the Indemnitee is not so entitled to indemnification.

To the extent that Liabilities relate to the Fund as a whole or more than one sub-fund of the Fund, including the Sub-Fund, such Liabilities shall be allocated among the sub-funds of the Fund on the basis the General Partner determines to be equitable or appropriate under the circumstances.

Advancement of Expenses

Expenses incurred by an Indemnitee in defending any Action may, in the General Partner's sole discretion, be advanced by the Fund prior to any judgment or settlement of such Action (but not during any appeal therefrom) entered by any court of competent jurisdiction which includes a finding that such Indemnitee's conduct constituted Malfeasance, but only if the Fund has received a written commitment by or on behalf of the Indemnitee to repay such advances to the Fund to the extent that, and at such time

as, it has been determined by a final, non-appealable judgment or settlement entered by any court of competent jurisdiction that (a) the act or failure to act of the Indemnitee was not in good faith or not in a manner it believed to be in, or not contrary to, the best interests of the Fund or (b) the Indemnitee's conduct constituted Malfeasance. Notwithstanding the foregoing (but without overriding "— *Indemnification*" above), the Fund will not advance any such expenses incurred in an Action brought (i) against an Indemnitee by the Shareholders, whether such Action is brought directly or in the name of the Fund by the Shareholders, (ii) by an Indemnitee against the Fund and any sub-fund (including the Sub-Fund) (other than in connection with an Action brought by such Indemnitee to enforce its right to indemnification hereunder) or (iii) solely among the General Partner, the AIFM, the Investment Manager, any other KKR Affiliate or their respective members, employees, partners (other than Shareholders or investors in any Other KKR Funds) or equity holders, as the case may be.

Indemnitee Obligations

Each Indemnitee will use commercially reasonable efforts to pursue any insurance, contribution or indemnity claims it may have against third parties with respect to the expenses incurred in defending any Action; *provided that* no such claims, nor any efforts or obligation hereunder, will delay the availability of the advances as described above. Each Indemnitee, other than the General Partner, will obtain the written consent of the General Partner prior to entering into any compromise or settlement which would result in an obligation of the Fund to indemnify such Indemnitee.

No Third-Party Beneficiaries

The indemnity protection described in this sub-section "— *General Partner's Liability; Indemnification*" is for the benefit of the Indemnitees and does not create any rights for the benefit of any other Person, except as otherwise described below under "— *Good Faith Reliance*".

Good Faith Reliance

To the extent that, at law or in equity, an Indemnitee has duties (including fiduciary duties) and liabilities relating thereto to the Fund, including with respect to any sub-fund (including the Sub-Fund), or to another Shareholder, such Indemnitee acting under the Documents shall, to the fullest extent permitted by law and notwithstanding any contrary provisions of law, equity or otherwise, not be liable to the Fund, any sub-fund (including the Sub-Fund) or to any such other Shareholder and shall not be in breach of any duties (including fiduciary duties) for its good faith reliance on the provisions of this Memorandum or the Articles or for taking any action that is permitted by the terms of this Memorandum or the Articles. The provisions of this Memorandum and the Articles, to the extent that they expand, eliminate or restrict the duties and liabilities of the Indemnitees otherwise existing at law or in equity or otherwise, are deemed to be agreed by the Shareholders to modify to that extent such other duties and liabilities of such Indemnitees; *provided that* nothing in this Memorandum or the Articles will modify or purport to modify any duty or liability owed by the General Partner or its Affiliates to the Fund, or to any Shareholder under the Advisers Act.

Reliance on Counsel and Accountants

The General Partner, the AIFM and/or the Investment Manager may consult with legal counsel, tax advisors, accountants, investment bankers and other similar advisors engaged by the Fund, including with respect to any sub-fund (including the Sub-Fund), the General Partner, the Investment Manager, KKR Credit or any other KKR Affiliate and any act or omission suffered or taken by the General Partner, the AIFM or the Investment Manager on behalf of the Fund or any sub-fund (including the Sub-Fund) or in furtherance of the interests of the Fund or any sub-fund (including the Sub-Fund) in good faith in reliance upon and in accordance with the advice of such advisors shall be full justification for any such act or omission, and the General Partner, the AIFM and the Investment Manager shall be fully protected and not liable to the Fund, including with respect to such sub-fund, or any Shareholder in so acting or omitting to act so long as such legal counsel, tax advisors, accountants, investment bankers or other similar advisors were selected with reasonable care.

Indemnification of K-FIT Indemnified Parties

Pursuant to the governing documents of K-FIT and the agreements between K-FIT, the K-FIT Manager and its other service providers, members of the Board, the K-FIT Manager, KKR Credit and FS Investments and their affiliated and associated Persons are subject to exculpation and indemnification

terms that are comparable to those described above in respect of KIT and are entitled to indemnification and advances out of the assets of K-FIT in similar circumstances; *provided that* such Persons generally will be liable for and will not be indemnified in respect of any acts or omissions comprising wilful misfeasance, bad faith or gross negligence or reckless disregard of their respective duties.

INDEPENDENT CLIENT REPRESENATIVE

Independent Client Representative

Subject to the applicable law, the General Partner may cause the Fund to appoint a suitably qualified representative (the "**Independent Client Representative**") who is not an Affiliate of the General Partner, the AIFM, the Investment Manager or any of their Affiliates to act as the agent of the Fund for the purposes of providing or withholding any consent on behalf of the Fund (including with respect to any sub-fund including the Sub-Fund) with respect to any transactions and matters involving potential conflicts of interest that the General Partner deems to be material and any approval or client consent that may be required under the Advisers Act (including Section 206(3) thereof). Each Shareholder will provide its consent to the appointment by the Fund of an Independent Client Representative for such purposes in the Application Form.

The General Partner may request, subject to applicable law, that the Independent Client Representative provide or withhold any consent of the Fund (including any sub-fund, as applicable) with respect to matters requiring client consent for purposes of the Advisers Act including pursuant to Sections 206(3) and 205(a) thereof. A decision of the Independent Client Representative shall be binding on the Shareholders and effective in the same manner as their approval of the provision or withholding by the Fund of any consent of the Fund (including any sub-fund, as applicable) with respect to matters involving potential conflicts of interest or requiring client consent for purposes of the Advisers Act including pursuant to Sections 206(3) and 205(a) thereof, and without prejudice to the generality of this sentence, if the Independent Client Representative approves any matter for which consent of the Fund (including any sub-fund, as applicable) is required under the Advisers Act, then the General Partner may provide such consent on behalf of the Fund or sub-fund and such consent shall be binding on the Shareholders and the Fund (including in respect of any sub-fund, as applicable) for all purposes hereunder. The Independent Client Representative shall not have any authority or responsibility to participate in the management or control of the business of the Fund, including reviewing any investment decisions made by the AIFM or the Investment Manager in respect of any sub-fund, which shall be the sole responsibility of the AIFM and the Investment Manager.

Any Independent Client Representative will be appointed on such terms as the General Partner deems appropriate, but subject to applicable law, including with respect to the remuneration of and termination of the appointment of such Independent Client Representative and indemnification and exculpation from liability with respect to such Person's activities in connection with serving as Independent Client Representative in the same manner and to the same extent as the General Partner are so exculpated and indemnified as described in this Memorandum and the General Partner shall have the authority to agree to reimburse any such Person for such Person's out-of-pocket expenses and to indemnify any such Person (at the Fund's or Sub-Fund's expense) to the maximum extent permitted by law. The General Partner may terminate the appointment of the Independent Client Representative at any time and appoint (or choose not to appoint) a replacement Independent Client Representative at any time in its sole discretion. The General Partner shall provide notice of any such replacement to the Shareholders as soon as reasonably practicable after such appointment.

The Independent Client Representative will be reimbursed by the Fund for all reasonable out-of-pocket expenses incurred in connection with its functions. The Independent Client Representative may consult with legal counsel and other advisors selected by it and the Fund's share of the fees and expenses of such counsel will be a Sub-Fund Expense.

Any matter for which the affirmative or negative consent of the Independent Client Representative is permitted to be sought under this Memorandum or that may be waived by the Independent Client Representative under this Memorandum may instead be consented to, approved or waived by Shareholders holding Shares representing the majority Shares in issue of the sub-fund with respect to which such matter is being considered, which action will be effective as if such consent, approval or waiver were given by the Independent Client Representative. The decision of whether a matter is

submitted to the Independent Client Representative or the Shareholders shall be made by the General Partner in its sole discretion.

Any Independent Client Representative appointed by the General Partner will not serve in the same capacity in respect of K-FIT, which will not appoint an independent client representative.

NO LIMITED SHAREHOLDER MANAGEMENT

No Shareholder, in its capacity as such, shall take part in the management of the business and affairs of the Fund, including with respect to the Sub-Fund, or have any control over the business and affairs of the Fund, including with respect to the Sub-Fund. Except as otherwise provided herein, no Shareholder, in its capacity as such, shall have any right or authority to act for, deal with third parties on behalf of, or to bind the Fund, including with respect to the Sub-Fund. Notwithstanding any contrary provisions in the Sub-Fund Documents, (a) in no event shall a Shareholder, the AIFM or the Investment Manager, as applicable, be considered a general partner of the Fund by agreement, estoppel or as a result of the performance of its duties or otherwise and (b) the Shareholders, the AIFM and the Investment Manager, as applicable, shall not be deemed to be taking part in the management of the business of the Fund, including with respect to the Sub-Fund as a result of any actions taken by a Shareholder, the AIFM or the Investment Manager hereunder. To the fullest extent permitted by law and notwithstanding any other provisions at law, no Shareholder shall owe any fiduciary duty to any other Shareholder or the Fund, including with respect to the Sub-Fund.

The offering of Shares in KIT is not an offering of interests in K-FIT. None of the K-FIT Manager, the Trustees or their Affiliates acting in such capacity have approved the content of this Memorandum or made any representation or warranty with respect to the fairness, accuracy or reasonableness of any of the information contained herein. No such party bears any responsibility for updating any information contained herein.

No Direct Interest in K-FIT

Investors in KIT will not be investors in K-FIT and will have no voting rights or direct interest in, and will have no standing or recourse against, K-FIT, the K-FIT Manager or the Trustees acting in such capacity (or any partners, officers, directors, employees or members of the foregoing). Investors in KIT will not be parties to the governing documents of K-FIT and will not have any rights thereunder and may not bring an action against K-FIT, the K-FIT Manager or the Trustees, acting in such capacity, or their Affiliates for any breach thereof. Although KIT will, as an investor in K-FIT have rights and privileges with respect to K-FIT in such capacity, none of K-FIT, the K-FIT Manager or the Trustees, acting in such capacity, or their Affiliates is responsible to KIT or its investors. None of the Fund, KIT, the General Partner or the Investment Manager (acting in such capacity) or their Affiliates or any investors in KIT have the right to participate in the control, management or operations of K-FIT, or has any discretion over the management of K-FIT.

In light in particular of the structure of the K-FIT Manager as a joint venture between KKR Credit and FS Investments, the General Partner and the Investment Manager will face a conflict of interest in determining whether to exercise on behalf of KIT any right of action in respect of K-FIT, the K-FIT Manager or their Affiliates or to otherwise seek recourse against such Persons in respect of their acts and omissions in the management and administration of K-FIT.

TRANSACTIONS WITH AFFILIATES

The Sub-Fund and any Portfolio Company or other issuer in which the Sub-Fund invests are permitted, from time to time, to participate in transactions with the General Partner and its Affiliates or transactions where a KKR Affiliate that is a Regulated Broker-Dealer is acting as, will act or has acted as, an agent, broker, principal, arranger or syndicate manager, including for the Sub-Fund or a Portfolio Company or other issuer or on the other side of the transaction or for other parties in the transaction, only to the extent that the General Partner believes in good faith that the terms of such transactions, taken as a whole, are appropriate for the Sub-Fund (*see* Section XIII, "*Potential Conflicts of Interest*" for a discussion of such transactions).

Cross Transactions

Without limiting any other authority of the General Partner as described in this Memorandum and subject to applicable law, the General Partner may cause the Fund, including any sub-fund (including the Sub-Fund) to enter into a Cross Transaction with any Other KKR Fund. Any Cross Transaction in respect of marketable securities will be entered into in accordance with KKR Credit's policies and procedures in respect thereof in effect at such time. In connection with any Cross Transaction involving non-marketable securities, the General Partner will (i) obtain a third-party fairness opinion from an independent, professionally recognised investment bank or valuation expert that opines as to the fairness, from a financial point of view, of such Cross Transaction to the Fund (or sub-fund, as applicable) and the relevant Other KKR Fund or (ii) the prior approval of the Independent Client Representative in respect of such Cross Transaction. No brokerage or other transaction fees shall be payable to the General Partner or its Affiliates in connection with any Cross Transaction. A "**Cross Transaction**" for the above purposes means: (i) a portfolio investment constituting a purchase of securities or other assets, directly or indirectly, from any Other KKR Fund and (ii) any disposition of any portfolio investment, or part thereof, to an Other KKR Fund; *provided that* Cross Transactions do not include any rebalancing of trade allocations between any sub-fund (including the Sub-Fund) and such Other KKR Funds prior to settlement of such trades. For the avoidance of doubt, the following shall not be considered Cross Transactions: (x) any co-investment and (y) any follow-on investments or follow-up investments in existing investments.

Cross Transactions Involving K-FIT

The above Cross Transaction provisions will not be applicable to any transaction in which K-FIT engages with any Other KKR Fund. Such transactions will be subject to limitations on affiliate transactions applicable to K-FIT pursuant to the 1940 Act and otherwise to policies and procedures established by the Board of Trustees and the K-FIT Manager in respect thereof.

Warehouse Facility

The Sub-Fund may purchase certain assets ("**Warehoused Investments**") both before and after the Initial Subscription Day from KKR, KKR Credit or any other KKR Affiliate or from unaffiliated third parties that were acquired or held by such parties on behalf of or otherwise for the benefit of the Sub-Fund.

Investors should note that prior to the Initial Subscription Day, KKR Credit established a seed portfolio for the Sub-Fund through the use of a warehousing arrangement with an investment fund sponsored and managed by an unaffiliated asset manager (the "**Facility Provider**"), pursuant to which the Facility Provider agreed to acquire certain Warehoused Investments, including (i) certain debt securities and (ii) the accrued interest attaching thereto from certain Other KKR Funds and subsequently to sell such Warehoused Investments to the Sub-Fund. Such Warehoused Investments were acquired by the Facility Provider at a cost equal to their most recent fair market value as determined by KKR Credit. However, in connection with the subsequent sale of such Warehoused Investments to the Sub-Fund, the Facility Provider will retain the interest and other payments accruing to such Warehoused Investments prior to the purchase by the Sub-Fund thereof which is expected to occur following the Initial Subscription Day using related subscription proceeds received by the Fund. The Sub-Fund will also pay the Facility Provider additional fees with respect to the relevant holding periods over which the Facility Provider holds such Warehoused Investments. As a result, the net proceeds received by the Facility Provider when the Sub-Fund purchases such Warehoused Investments are expected to be in excess of the net costs incurred by the Facility Provider in connection with the acquisition and holding of such Warehoused Investments. KKR obtained a fairness opinion from an unaffiliated service provider with respect to the initial sale of such Warehoused Assets to the Facility Provider. The costs of such fairness opinion will be shared between the sellers of such Warehoused Investments and the Sub-Fund. It is currently expected (although there can be no assurance of such transactions) that the Sub-Fund will acquire investments through similar warehouse arrangements established by KKR Credit in the future. In addition, the KKR Public Company could arrange for its Balance Sheet to acquire Warehoused Investments and for these Warehoused Investments to be purchased by the Sub-Fund from time to time in one or more transactions.

Each Warehoused Investment purchased by the Sub-Fund will be purchased in compliance with procedures put in place to comply with applicable law and mitigate conflicts of interests and other related concerns (*see* sub-section "— *Cross Transactions*" and section "*Independent Client Representative*" above). There is no guarantee that all or part of any particular Warehoused Investment will be purchased

by the Sub-Fund or that any Warehoused Investment will be purchased by the Sub-Fund at cost. There can be no assurance that any Warehoused Investments will be successful or that the Sub-Fund will be able to source comparable additional investments (*see* Section XII, "*Risk Factors — Syndication and Warehousing*" for further details on Warehoused Investments).

AMENDMENTS TO THE MEMORANDUM

This Memorandum may be amended from time to time by the General Partner if, except as otherwise provided below with respect to any particular Shareholder(s), either (x) each Shareholder has received written notice of such amendment not less than 90 days before the effective date of such amendment, or (y) Shareholder Consent is obtained; *provided that*:

(i) no amendment will be valid as to any Shareholder that would alter the provisions of the Articles concerning such Shareholder's limited liability (to the extent that such amendment adversely affects the limited liability of such Shareholder), this section, that decreases the number of Shares held by such Shareholder or that increases such Shareholder's liability or commitment, without the consent of such Shareholder;

(ii) without prejudice to clause (i) above, but subject to clause (a) below, no amendment that would alter the provisions of Section III, "*Share Class Information — Distributions*", Section VIII, "*Fees and Expenses; Accounting; Reporting; Shareholder Matters — Management Fee*; *— Incentive Fee*" or would alter an operative portion of any definition with respect thereto and would materially, adversely and disproportionately affect the Shares of one or more Shareholders in a manner that does not similarly materially, adversely and disproportionately affect the other Shareholders generally, shall be valid with respect to such Shareholders without Shareholder Consent of the impacted Shareholders;

(iii) without prejudice to sub-clause (i) above, no amendment that would alter the provisions of Section V, "*Redemptions*" and would materially, adversely and disproportionately affect a redeeming Shareholder who submitted a Redemption Request prior to the effective date of such amendment, shall be valid with respect to such redeeming Shareholder without the consent of such redeeming Shareholder; and

(iv) no amendment that would alter the percentage of Shares necessary for any consent required hereunder to the taking of an action shall be valid unless such amendment is approved or consented to by Shareholders who then hold such required percentage of Shares.

With respect to any amendments to this Memorandum that have a material adverse effect on any Shareholder (for the avoidance of doubt, excluding any amendments described in clause (a) through clause (i) below), the Early Redemption Deduction will not apply during the notice period described in the preceding clause (x) (such notice period, the "**MAE Amendment Notice Period**").

Notwithstanding anything to the contrary in this Memorandum, to the extent the General Partner adopts an amendment to this Memorandum pursuant to the above provisions and such amendment materially and adversely affects a Shareholder, then at least 30 days prior to the effective date of such amendment such Shareholder may elect to submit a Redemption Request for all of its Shares and the provisions of Section V, "*Redemptions*" shall apply with respect to such redemption Shares (and such Shares shall not be subject to any lock-up period or redemption charges); *provided that* any amendment that has the effect of increasing the Management Fee or Incentive Fee with respect to such Shareholder shall not apply to the Shares of a Shareholder that relate to a Redemption Request that such Shareholder submitted pursuant to this paragraph (and not withdrawn).

Notwithstanding anything in this Memorandum to the contrary, this Memorandum may be amended by the General Partner without the consent of any Shareholder:

(a) in order to cure any ambiguity or error, make an inconsequential revision, provide clarity or to correct or supplement any provision herein that may be defective or inconsistent with any other provisions herein;

(b) to update or to reflect a change relating to any factual, commercial or economic information, legal, tax, regulatory or other disclosures, risk factors, offering legends, biographies, executive summaries, replacement of the Depositary, the Administrator, the auditors or any other service

provider of the Fund (made in accordance with the terms of this Memorandum), or other similar information contained in this Memorandum;

(c) to add any obligation, representation or warranty of the General Partner or surrender any right or power granted to the General Partner;

(d) to amend any terms where the General Partner considers such amendment not to materially adversely impact any Shareholders;

(e) to cause the Fund, the AIFM or the Investment Manager to comply with any applicable law or regulation;

(f) to satisfy any general or specific requirements, comments, conditions, guidelines or opinions contained in any opinion, directive, examination, order, ruling or regulation of the SEC, the IRS or any other U.S. federal or state or non U.S. governmental agency or regulatory body, or in any U.S. federal or state or non U.S. legislation or regulation, compliance with which (I) is mandatory or (II) the General Partner deems to be in the best interest of the Fund or the Sub-Fund;

(g) to modify the terms of the Management Fee or the Incentive Fee so long as such amendment does not have the effect of increasing the Management Fee or the Incentive Fee, as applicable, applicable to any existing Shareholder;

(h) to reflect the creation, merger or liquidation of additional sub-funds or Classes; and

(i) to otherwise implement the terms of this Memorandum.

The General Partner may, in its sole discretion, choose to deliver any proposed or effective amendment described in this Section via email and/or another electronic reporting medium in lieu of providing the Shareholders with paper copies of such amendment; *provided that* the General Partner may agree in writing in its sole discretion and at the request of any Shareholder to limit the applicability of any portion of this sentence to such Shareholder.

Each Shareholder and any other party to this Memorandum shall be deemed a party to and bound by any amendment, restatement, waiver or other modification of this Memorandum posterior to the date hereof.

Notwithstanding any other term of this Memorandum the consent of any Person who is not a Shareholder (including any Indemnitee) is not required for any variation or amendment of this Memorandum.

SIDE LETTERS

Notwithstanding the provisions of this Memorandum, including sub-section "*Amendments To the Memorandum*" above, or of any Application Form, the General Partner is authorised, subject to compliance with applicable laws and regulations, on its own behalf or on behalf of the Fund, including with respect to KIT, without the approval of any Shareholder or any other Person to enter into a side letter that has the effect of establishing rights with respect to the Shareholders of the Sub-Fund or altering or supplementing the terms of this Memorandum or any Application Form. Any terms contained in any such side letter will be valid, binding and enforceable as among the Shareholder with which such side letter is entered, the General Partner and the Sub-Fund.

The AIFM intends that all Shareholders will be treated fairly in accordance with the relevant requirements of the AIFMD, the RAIF Law, the 2013 Law and applicable laws and regulations. Notwithstanding the foregoing, a Shareholder may be granted "preferential treatment" within the meaning of, and to the widest extent allowed by, this Memorandum.

To the extent that a Shareholder obtains a "preferential treatment" or the right to obtain a "preferential treatment," a brief description of that preferential treatment, the type of Shareholder who obtained such "preferential treatment" and, where relevant, their legal or economic links with the Fund, the Sub-Fund, the AIFM or the Investment Manager will be made available on a confidential basis upon request.

GOVERNING LAW; SEVERABILITY

This Memorandum and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with the laws of the Grand Duchy of Luxembourg, without regard to the conflict of law rules thereof, and, to the maximum extent possible, in such manner as to comply with all the terms and conditions of the 1915 Law. If it is determined by a court of competent jurisdiction that any provision of this Memorandum is invalid under applicable law, such provision shall be ineffective only in such jurisdiction and only to the extent of such prohibition or invalidity, without invalidating the remainder of this Memorandum.

XII. RISK FACTORS

An investment in the Sub-Fund involves a high degree of risk that can result in substantial losses and is suitable only for sophisticated individuals and institutions for whom an investment in the Sub-Fund does not represent a complete investment program and who fully understand and are capable of bearing the risks of an investment in the Sub-Fund. There can be no assurance that the investment objectives of the Sub-Fund will be achieved, that any investments targeted pursuant to the Sub-Fund's investment objectives will be made by the Sub-Fund or that a Shareholder will receive a return of its capital. In addition, there will be occasions when the General Partner, the AIFM and their respective Affiliates will encounter conflicts of interest in connection with the Sub-Fund, some of which are described below under Section XIII, "Potential Conflicts of Interest." The following considerations should be carefully evaluated before making an investment in the Sub-Fund. Such considerations do not purport to be a complete discussion of all of the risks and other factors and considerations that relate to or could arise from investing in the Sub-Fund or from the Sub-Fund's investments. References herein (a) to the General Partner shall, where the context requires, be deemed to also refer to the AIFM or its delegate, and (b) to the AIFM shall, where the context requires, be deemed to also refer to the Investment Manager acting in its capacity as the delegate portfolio manager of the AIFM in respect of the Sub-Fund.

General Risks Relating to an Investment in the Sub-Fund

Illiquid and Long-Term Investments

Investment in the Sub-Fund is speculative in nature with no certainty of return of capital or gains. The Sub-Fund's investments will primarily be in private, illiquid loans and corporate bonds and could potentially include certain private equity investments, each of which is typically subject to restrictions on transfer or sale. There can be no assurance that the Sub-Fund will be able to generate returns for its investors, that the returns will be commensurate with the risks of investing in the type of transactions and issuers described herein or that the AIFM's or the Investment Manager's methodology for evaluating risk-adjusted return profiles for investments will achieve the Sub-Fund's objectives. In some cases, the Sub-Fund could be legally, contractually or otherwise prohibited from selling certain investments for a period of time or could otherwise be restricted from disposing of them, and illiquidity could also result from the absence of an established market for certain investments. The realizable value of a highly illiquid investment at any given time could be less than its intrinsic value. In addition, certain types of investments made by the Sub-Fund could require a substantial length of time to liquidate. As a result, the Sub-Fund could be unable to realize its investment objectives by sale or other disposition at attractive prices or otherwise be unable to complete any exit strategy or redeem Shares or make payments of distributions or redemption proceeds as contemplated in this Memorandum.

An investment in the Sub-Fund is suitable only for sophisticated investors, and an investor must have the financial ability to understand and the willingness to accept the extent of its exposure to the risks and lack of liquidity inherent in the Sub-Fund's portfolio. Investors should consult their professional advisors to assist them in making their own legal, tax, regulatory, accounting and financial evaluation of the merits and risks of an investment in the Sub-Fund in light of their own circumstances and financial condition. Furthermore, in certain limited circumstances, distributions in kind of illiquid investments to the Shareholders are permitted to be made (*see* sub-section "— *In-Kind Distributions*" below). Although certain investments by the Sub-Fund could generate current income, the return of capital and the realization of gains, if any, from an investment generally will occur only upon the partial or complete repayment or disposition of such investment, as to which there can be no certainty. The Sub-Fund's investments are speculative in nature and, particularly where leverage is used by the Sub-Fund, there can be no assurance that current income received by the Sub-Fund will be sufficient to service the Sub-Fund's debt or that any Shareholder will receive a return on invested capital or any distribution from the Sub-Fund.

Certain investments by the Sub-Fund could be in (or result in the Sub-Fund holding, for example, as collateral) securities that are or become publicly traded and are therefore subject to the risks inherent in investing in public companies (including new issues of securities). These factors are generally outside the General Partner's control, could adversely affect the liquidity and value of the Sub-Fund's investments, and could reduce the ability of the Sub-Fund to make attractive new investments. In addition, in some cases the Sub-Fund could be prohibited by contract or other limitations from selling such securities for a period of time so that the Sub-Fund is unable to take advantage of favourable market prices. The Sub-Fund will likely not have the same access to information in connection with investments in public

companies, either when investigating a potential investment or after making an investment, as with investments in private companies. Furthermore, it can be expected from time to time that the Sub-Fund could be limited in its ability to make investments, and to sell existing investments, in public or private companies because KKR could be deemed to have material, non-public information regarding such public companies or as a result of other internal policies. Accordingly, there can be no assurance that the Sub-Fund will be able to make investments in public companies that the AIFM otherwise deems appropriate or, if it does, as to the amount it will so invest. Moreover, the inability to sell investments in public or private companies in these circumstances could materially adversely affect the investment results of the Sub-Fund. The AIFM and the Investment Manager are each permitted to, in their sole discretion, decline to receive material non-public information in respect of a public company in which the Sub-Fund has invested that would otherwise be available to it to avoid being restricted from trading in securities issued by such public company or to avoid the AIFM or the Investment Manager or their Affiliates being so restricted on behalf of Other KKR Funds. In addition, reduced secondary market liquidity for certain investments could make it more difficult to obtain accurate market quotations for the purposes of valuing the Sub-Fund's portfolio and calculating its Net Asset Value for the purposes of calculating Management Fees, Incentive Fees and the price at which Shares are purchased and redeemed. Market quotations on certain investments traded in the secondary markets could only be available from a limited number of dealers (if any), and may not necessarily represent firm bids of those dealers or prices for actual sales. It is expected that illiquid assets will be valued primarily or solely by the AIFM and the Investment Manager, which will give risk to conflicts of interest (Section XIII, "*Potential Conflicts of Interest*" below).

As KKR expects that a significant portion of the assets of KIT will be invested at any given time in shares of K-FIT, investors should note that the ability of KIT to make distributions as described in Section III, "*Share Class Information*" of this Memorandum, meet redemption requests and make payments of redemption proceeds in a timely manner shall generally be dependent in large part on the receipt of distributions and repurchase proceeds by KIT in respect of such shares. *See* "*— Investment in K-FIT below*" for information regarding the impact of KIT's investment in K-FIT on its ability to satisfy Redemption Requests.

Lack of Operating History

Although the AIFM, the Investment Manager and their Affiliates have made investments through certain of their funds and separately managed accounts that would have been within the investment objectives of the Sub-Fund, the Sub-Fund will make its investments under different market, regulatory and economic conditions than those prevalent when the previous investments were made. Additionally, any past performance of the Sub-Fund (as applicable), the AIFM or the Investment Manager does not necessarily indicate that the Sub-Fund will be successful in the future. The Sub-Fund's results of operations will depend upon the availability of suitable investment opportunities for the Sub-Fund and the performance of its investments.

Neither the Sub-Fund nor the General Partner has commenced operations and none of the Sub-Fund's investments have been identified, and therefore the Sub-Fund has no operating history upon which prospective investors can evaluate its performance and Shareholders will be relying on the ability of the General Partner, the AIFM and the Investment Manager to select the investments to be made by the Sub-Fund. Investors should draw no conclusions from the prior experience of the KKR Credit investment team, whether or not they have been with the AIFM and/or the Investment Manager and involved in Other KKR Funds, or the performance of any of the AIFM's and/or the Investment Manager's investments or Other KKR Funds, and should not expect to achieve similar returns.

Potential Lack of Investment Opportunities

The activity of identifying, completing and realizing attractive investments is highly competitive and involves a significant degree of uncertainty. The Sub-Fund's success will depend, in part, on the ability of the Sub-Fund to originate or purchase loans and/or bonds and other debt (and certain equity) investments on advantageous terms. The Sub-Fund competes with a broad spectrum of investors, lenders and sources of finance, including other private investment vehicles, as well as the public debt and equity markets, individuals, investment banks, commercial banks, insurance companies and other financial institutions, registered investment companies and BDCs, strategic industry acquirers, alternative investment funds and other institutional investors investing directly or through Affiliates, many of which have substantially greater financial resources and are more well-known than the Sub-Fund. Increased competition for, or a

diminishment in the available supply of, qualifying loans or bonds and other debt (and certain equity) investments could result in lower yields on such investments, which could reduce returns to Shareholders. Such supply-side competition could adversely affect the terms upon which investments can be made by the Sub-Fund. Moreover, in the context of originating loans and other private credit investments, private equity sponsors unaffiliated with KKR could be reluctant to present financing opportunities to the Sub-Fund because of its affiliation with KKR and Other KKR Funds.

Additionally, the Sub-Fund's success will depend, in part, on the ability of the General Partner and/or the AIFM (or the Investment Manager as its delegate) to identify and select appropriate investment opportunities, as well as the Sub-Fund's ability to acquire these investments. There can be no assurance that the General Partner, the AIFM or the Investment Manager will be able to locate and complete investments which satisfy the Sub-Fund's objectives or realize upon their values or that the Sub-Fund will be able to fully invest its capital. The Sub-Fund likely will incur significant fees and expenses identifying, investigating and attempting to make potential investments that are ultimately not consummated, including fees and expenses relating to due diligence, transportation and travel. Moreover, the AIFM's and the Investment Manager's beliefs regarding the availability of investment opportunities for the Sub-Fund over the next several years are based in part on assumptions regarding the amount of financing that will be available over such time period, the Sub-Fund's ability to participate in such investments and other market, economic and related assumptions, some or all of which could not materialize as expected.

Limited Number of Investments

The Sub-Fund is permitted to participate in a relatively limited number of investments and, as a consequence, the aggregate return of the Sub-Fund could be substantially adversely affected by the unfavourable performance of even a single investment. It is also possible that the Sub-Fund's investments will be concentrated in a limited number of sectors or geographic regions. Investors have no assurance as to the degree of diversification of the Sub-Fund's investments, either by size, geographic region, asset type or sector. If the Sub-Fund is unable to sell, assign or otherwise syndicate out loan, bond or other positions that it holds that are greater than the Sub-Fund's target positions, the Sub-Fund will be forced to hold its excess interest in such investments for an indeterminate period of time. This could result in the Sub-Fund's investments being over-concentrated in certain Portfolio Companies or other issuers. To the extent the Sub-Fund concentrates investments in a particular issuer, investment, sector or geographic region, its investments will become more susceptible to fluctuations in value resulting from adverse economic or business conditions with respect thereto. For the Sub-Fund to achieve attractive returns, it could be the case that one or a few of its investments need to perform very well. There are no assurances that this will be the case. In addition, the Sub-Fund could co-invest with one or more Other KKR Funds. To the extent that a Shareholder is also an investor in any such Other KKR Funds that co-invest with the Sub-Fund in a particular investment, such Shareholder's exposure to and risk of loss with respect to such investment will be further concentrated.

Deployment of Capital

In light of the nature of the Sub-Fund's continuous offering in relation to its investment strategy and the need to be able to deploy potentially large amounts of capital quickly to capitalize on potential investment opportunities, if the Sub-Fund has difficulty identifying investments on attractive terms, there could be a delay between the time it receives net proceeds from the sale of Shares and the time it invests the net proceeds. The Sub-Fund's proportion of privately negotiated investments may be lower than expected. It may also from time to time hold cash pending deployment into investments or have less than its targeted leverage, which cash or shortfall in target leverage may at times be significant, particularly at times when it is receiving high amounts of offering proceeds and/or times when there are few attractive investment opportunities. Such cash may be held in an account for the benefit of the Sub-Fund that may be invested in money market accounts or other similar temporary investments, each of which are subject to the Management Fees.

In the event the Sub-Fund is unable to find suitable investments such cash may be maintained for longer periods which would be dilutive to overall investment returns. This could cause a substantial delay in the time it takes for a Shareholder's investment to realize its full potential return and could adversely affect the Sub-Fund's ability to pay regular distributions of cash flow from operations to Shareholders. It is not anticipated that the temporary investment of such cash into money market accounts or other similar temporary investments pending deployment into investments will generate significant interest, and investors should understand that such low interest payments on the temporarily invested cash may

adversely affect overall returns. In the event the Sub-Fund fails to timely invest the net proceeds of sales of its Shares or does not deploy sufficient capital to meet its targeted leverage, its results of operations and financial condition may be adversely affected.

Force Majeure

Portfolio companies or other issuers of the Sub-Fund's investments could be affected by force majeure events (i.e., events beyond the control of the party claiming that the event has occurred, including, without limitation, acts of God, fire, flood, earthquakes, outbreaks of an infectious disease, pandemic or any other serious public health concern, war, terrorism and labour strikes, major plant breakdowns, pipeline or electricity line ruptures, failure of technology, defective design and construction, accidents, demographic changes, government macroeconomic policies, toll rates and social instability). Some force majeure events could adversely affect the ability of a party (including a Portfolio Company or a counterparty to the Sub-Fund or a Portfolio Company) to perform its obligations until it is able to remedy the force majeure event. In addition, forced events, such as the cessation of machinery (e.g., turbines) for repair or upgrade, could similarly lead to the unavailability of essential machinery and technologies. These risks could, among other effects, adversely impact the cash flows available from a Portfolio Company or other issuer, cause personal injury or loss of life, damage property, or instigate disruption of service (*see also* sub-section "— *Pandemics, Epidemics and Other Public Health Crises*" below). In addition, the cost to a Portfolio Company or other issuers in which the Sub-Fund invests of repairing or replacing damaged assets resulting from such force majeure event could be considerable. Force majeure events that are incapable of or are too costly to cure could have a permanent adverse effect on a Portfolio Company or other issuers in which the Sub-Fund invests. Certain force majeure events (such as war or an outbreak of an infectious disease) could have a broader negative impact on the world economy and international business activity generally, or in any of the countries in which the Sub-Fund invests specifically. Additionally, a major governmental intervention into industry, including the nationalization of an industry or the assertion of control over one or more Portfolio Companies or other issuers in which the Sub-Fund invests or its assets, could result in a loss to the Sub-Fund, including if its investment in such Portfolio Companies or other issuers is cancelled, unwound or acquired (which could be without what the Sub-Fund considers adequate compensation). Any of the foregoing could therefore adversely affect the performance of the Sub-Fund and its portfolio investments.

Pandemics, Epidemics and Other Public Health Crises

A pandemic, epidemic or other public health crisis could adversely impact KKR, the Sub-Fund, Other KKR Funds and their Portfolio Companies and other issuers of the Sub-Fund's investments. Many countries have experienced outbreaks of infectious illnesses in recent decades, including swine flu, avian influenza, SARS and COVID-19. The COVID-19 pandemic has resulted in numerous deaths and the imposition of both local and more widespread "work from home" and other quarantine measures, border closures and other travel restrictions, causing social unrest and commercial disruption on a global scale.

The COVID-19 pandemic has had, and will continue to have, a material adverse impact on local economies in the affected jurisdictions and also on the global economy, as cross border commercial activity and market sentiment are increasingly impacted by the pandemic and government and other measures seeking to contain its spread. In addition to these developments having adverse consequences for certain Portfolio Companies and other issuers in or through which the Sub-Fund invests and the value of the Sub-Fund's investments therein, the operations of KKR and the Sub-Fund and Other KKR Funds in many jurisdictions have been, and could continue to be, adversely impacted, including through quarantine measures, business closures and suspensions, travel restrictions and health issues impacting KKR Personnel and KKR service providers based around the world. Disruptions to commercial activity relating to the imposition of quarantines or travel restrictions (or more generally, a failure of containment efforts) could adversely impact investments of the Sub-Fund and Other KKR Funds, including by delaying or causing supply chain disruptions or by causing staffing shortages. Any of the foregoing events could materially and adversely affect the Sub-Fund's ability to source, manage and divest its investments and its ability to fulfil its investment objectives. Similar consequences could arise with respect to other comparable infectious diseases.

The COVID-19 pandemic has contributed to, and could continue to contribute to, volatility in financial markets, including changes in interest rates. It has also had a material and negative impact on certain economic fundamentals and consumer confidence, increased the risk of default of particular Portfolio Companies, reduced the availability of debt financing to the Sub-Fund and Other KKR Funds and

potential purchasers of their Portfolio Companies, negatively impacted market values, caused credit spreads to widen and reduced liquidity, all of which have had and could have in the event of a continued outbreak, an adverse effect on the returns of the Sub-Fund and Other KKR Funds. No assurance can be given as to the long-term effect of these events on the value of the Sub-Fund's and Other KKR Funds' investments. The impact of a public health crisis, such as COVID-19 (or any future pandemic, epidemic or other outbreak of a contagious disease), is difficult to predict, which presents material uncertainty and risk with respect to the performance of the Sub-Fund and Other KKR Funds.

Terrorism

The Sub-Fund's investments could involve significant strategic assets having a national or regional profile. The nature of these assets could expose them to a greater risk of being the subject of a terrorist attack than other assets or businesses. Any terrorist attacks that occur at or near strategic assets would likely cause significant harm to employees, property and, potentially, the surrounding community, and could result in liability with respect to an investment far in excess of available insurance coverage. A terrorist attack on an asset could also have adverse consequences for assets of that type or in the same vicinity, including those owned by a Portfolio Company or other issuer, and could result in a company being forced to increase preventative security measures or expand its insurance coverage (if available), adversely affecting the profitability of such investment. Terrorist attacks could reduce the availability of insurance coverage going forward for losses arising from similar events. A terrorist attack could cause reduced patronage, usage and demand for an entire class of assets or for assets in the region of the terrorist attack, either of which could adversely affect an investment's profitability. In addition, hostile cyber intrusions, including those targeting information systems as well as electronic control systems used by Portfolio Companies or other issuers could severely disrupt business operations and result in the loss of service to customers, and therefore of revenues, as well as create significant expense to repair security breaches or system damage.

Corruption and Fraud

Government agencies or other counterparties could have the right to terminate an agreement relating to a Portfolio Company or other issuer in which the Sub-Fund invests where management or any related third-party management company or operator or any of their Affiliates has committed bribery, corruption or other fraudulent act in connection with the investment by the Sub-Fund in such Portfolio Company or issuer. Most capital put toward such an investment will not be compensated in these circumstances. In addition, activities of certain businesses that are conducted by a Portfolio Company or other issuer in which the Sub-Fund invests could be more susceptible to irregular accounting or other fraudulent practices. In the event of fraud by (or involvement with corrupt payments by) any company or issuer in which the Sub-Fund invests, the Sub-Fund could suffer a partial or total loss of capital invested in that company or issuer.

Corruption can result in huge economic losses due to fraud, theft and waste. Moreover, corruption can corrode critical public institutions, such as the courts, law enforcement and public pension administration, undermining property rights, public confidence and social stability. As a result, corruption has dramatically increased the systemic risks that exist in some of the jurisdictions in which the Sub-Fund is expected to invest. Corruption scandals in certain countries in which the Sub-Fund may invest are common and are likely to remain so going forward. The Sub-Fund and prospective investors in the Sub-Fund are thus exposed to the increased costs and risks of corruption (which could include reputational risk for the Sub-Fund and/or the Shareholders) in the jurisdictions in which the Sub-Fund could invest, and there can be no assurance that any reform efforts will have a meaningful effect during the term of the Sub-Fund.

OFAC and FCPA Considerations

Economic sanction laws in the United States and other jurisdictions could prohibit KKR, its Affiliates (including the AIFM and the Investment Manager) and the Sub-Fund from transacting with certain countries, individuals and companies. In the United States, the U.S. Department of the Treasury's Office of Foreign Assets Control ("**OFAC**") administers and enforces laws, Executive Orders and regulations establishing U.S. economic and trade sanctions, which prohibit, among other things, transactions with, and the provision of services to, certain foreign countries, territories, entities and individuals. In addition, the European Union has over forty sanctions regimes in place, targeting certain countries, territories, entities, individuals or categories of activities (such as chemical weapons or cyber-attacks), which

prohibit transactions with certain persons or entities or restrict imports or exports to or from certain countries. These types of sanctions could significantly restrict or completely prohibit investment activities in certain jurisdictions. Any determination that the Sub-Fund or its Portfolio Companies or other issuers in which the Sub-Fund invests have violated any economic sanction laws or regulations or that KKR has violated the FCPA or other applicable anticorruption laws or anti-bribery laws could subject KKR or the Sub-Fund to, among other things, civil and criminal penalties, material fines, profit disgorgement, injunctions on future conduct, securities litigation and a general loss of investor confidence, any one of which could adversely affect the Sub-Fund's business prospects and financial position as well as its ability to achieve its investment objective and/or conduct its operations. Furthermore, Council Regulation (EC) No 2271/96 (so-called Blocking Regulation) protects against the extra-territorial effects of certain sanction regimes of certain non-EU countries on the international trade and/or movement of capital and related commercial activities carried out by, among others, EU nationals or legal persons incorporated within the EU, making it illegal for such persons to comply with such blocked foreign sanction regimes and rendering unenforceable judgments and decisions of authorities of such countries giving effect to such blocked foreign sanction regimes.

KKR's professionals and the Sub-Fund are committed to complying with the FCPA and other anti-corruption laws, anti-bribery laws and regulations, as well as anti-boycott regulations, to which they are subject. As a result, the Sub-Fund could be adversely affected because of the unwillingness of the Sub-Fund to enter into transactions that violate any such laws or regulations. Such laws and regulations could make it difficult in certain circumstances for the Sub-Fund to act successfully on investment opportunities. In recent years, the U.S. Department of Justice and the SEC have devoted greater resources to enforcement of the FCPA. In addition, the UK has significantly expanded the reach of its anti-bribery laws. While KKR has developed and implemented policies and procedures designed to ensure compliance by KKR and its personnel with the FCPA and other anti-bribery laws, such policies and procedures should not be expected to be effective in all instances to prevent violations.

The FCPA and other anti-corruption laws and regulations, as well as anti-boycott regulations, will also apply to and restrict the activities of the Sub-Fund's Portfolio Companies. If a Portfolio Company were to violate any such laws or regulations, such Portfolio Company or the Sub-Fund could face significant legal and monetary penalties. The U.S. government has indicated that it is particularly focused on FCPA enforcement, which could increase the risk that the Sub-Fund's Portfolio Companies or the Sub-Fund become the subject of such actual or threatened enforcement. In addition, certain commentators have suggested that private fund managers and the funds that they manage, such as the Sub-Fund, could face increased scrutiny and/or liability with respect to the activities of their underlying portfolio companies. As such, a violation of the FCPA or other applicable regulations by a Portfolio Company could have a material adverse effect on the Sub-Fund.

CFIUS Considerations

Certain investments by the Sub-Fund that involve the acquisition of a business connected with or related to national security or critical infrastructure could be subject to review and approval by the U.S. Committee on Foreign Investment in the United States ("CFIUS") and/or non-U.S. national security/investment clearance regulators, depending on the beneficial ownership and control of Shares in the Sub-Fund. In the event that CFIUS or another regulator reviews one or more of the Sub-Fund's proposed or existing investments, there can be no assurances that the Sub-Fund will be able to maintain, or proceed with, such investments on terms acceptable to the Sub-Fund. CFIUS or another regulator could seek to impose limitations on or prohibit one or more of the Sub-Fund's investments. Such limitations or restrictions could prevent the Sub-Fund from maintaining or pursuing investments, which could adversely affect the Sub-Fund's performance with respect to such investments (if consummated) and thus the Sub-Fund's performance as a whole. In addition, Shareholders are expected to be primarily non-U.S. investors, which increases both the risk that investments could be subject to review by CFIUS and the risk that limitations or restrictions will be imposed by CFIUS or other non-U.S. regulators on the Sub-Fund's portfolio investments. In the event that restrictions are imposed on any investment by the Sub-Fund due to the non-U.S. status of a Shareholder or group of Shareholders of the Sub-Fund or other related CFIUS or national security considerations, there is no guarantee that such restrictions will not adversely impact the Sub-Fund.

If the Sub-Fund invests in issuers for which CFIUS approval is being sought, the Sub-Fund and the U.S. government could address perceived threats to national security through mitigation measures including contractual undertakings with the U.S. Government, board resolutions and proxy agreements. The time to

negotiate any such measures or the length of the CFIUS review process could place the Sub-Fund at a competitive disadvantage to U.S. purchasers not subject to CFIUS approval. Such mitigation measures could also effectively impose significant operational restrictions on the Sub-Fund, the General Partner or the AIFM. Should CFIUS approval, or other regulatory approval, be a closing condition to a prospective transaction, there is a risk that such approval will not be granted, and the Sub-Fund will have to bear the costs and expenses relating to such unconsummated investment, in addition to the risk that disadvantageous conditions could be imposed. Similar rules or regulations could exist in non-U.S. jurisdictions which would subject the Sub-Fund to comparable risks.

Availability of Insurance

Certain losses of a catastrophic nature that could potentially impact all or any portfolio investments of the Sub-Fund, such as wars, natural disasters, terrorist attacks or other similar events, could be either uninsurable or insurable at such high rates that to maintain such coverage would cause an adverse impact on such investments. The General Partner can, but is not required to, maintain insurance, where available on terms it believes to be commercially reasonable, for the Sub-Fund's portfolio investments to protect against certain risks, such as business interruption insurance that is intended to offset loss of revenues during an operational interruption. Such insurance is likely to be subject to customary deductibles and coverage limits and could not be sufficient to recoup all losses with respect to the relevant investment. If a major, uninsured loss occurs, the Sub-Fund could lose both invested capital in and anticipated profits from the affected investments.

In general, losses related to terrorism are becoming harder and more expensive to insure against. Terrorist attacks could reduce the availability of insurance coverage going forward for losses arising from similar events. Most insurers are excluding terrorism coverage from their all-risk policies. In some cases, insurers are offering significantly limited coverage against terrorist acts for additional premiums which can greatly increase the total costs of casualty insurance for a property. As a result, not all portfolio investments can be insured against terrorism. If a major, uninsured loss occurs in respect of the Sub-Fund's investments, the Sub-Fund could lose both invested capital in and anticipated profits from the affected investments.

Borrower Fraud; Breach of Covenant

The Sub-Fund will primarily seek to invest in private credit investment opportunities involving private middle-market U.S., European and other developed market countries companies and will generally seek to obtain structural, covenant and other contractual protections with respect to the terms of its investments as determined appropriate under the circumstances. There can be no assurance that such attempts to provide downside protection with respect to its investments will achieve their desired effect and potential investors should regard an investment in the Sub-Fund as being speculative and having a high degree of risk. Of paramount concern in originating or acquiring the financing contemplated by the Sub-Fund is the possibility of material misrepresentation or omission on the part of borrower or other credit support providers or breach of covenant by such parties. Such inaccuracy or incompleteness or breach of covenants could adversely affect the valuation of the collateral underlying the loans or the ability of the Sub-Fund to perfect or effectuate a lien on the collateral securing the loan or otherwise realize on the investment. The Sub-Fund will rely upon the accuracy and completeness of representations made by borrowers to the extent reasonable, but cannot guarantee such accuracy or completeness.

Investments in Highly Leveraged Companies

The Sub-Fund's investments are expected to include investments in Portfolio Companies and other issuers whose capital structures have significant leverage (including, to the extent the Sub-Fund holds second-lien or other subordinated debt interests, certain leverage senior to the Sub-Fund's investment). Such investments are inherently more sensitive to declines in revenues, competitive pressures and increases in expenses and interest rates (*see* sub-section "— *Interest Rate Risk*" below). The leveraged capital structure of such issuers will increase their exposure to adverse economic factors such as downturns in the economy or deterioration in the condition of the issuers or their industries, and, to the extent the Sub-Fund holds second lien or other subordinated debt interests therein, such issuers often will be subject to restrictive financial and operating covenants in more senior debt instruments and contracts that adversely impact the Sub-Fund's investments. This leverage could result in more serious adverse consequences to such issuers (including their overall profitability or solvency) in the event these factors or events occur than would be the case for less leveraged companies. If an issuer cannot generate adequate cash flow to meet debt obligations, the issuer could default on its loan agreements or bonds or

be forced into bankruptcy resulting in a restructuring of the issuer's capital structure or liquidation of the issuer. Certain of the Sub-Fund's investments could be in equity, and thus subject to the greatest risk of losses. Furthermore, to the extent issuers in which the Sub-Fund has invested become insolvent, the Sub-Fund could determine, in cooperation with other debt holders or on its own, to engage, at the Sub-Fund's expense in whole or in part, counsel and other advisors in connection therewith. In addition to leverage in the capital structure of Portfolio Companies and other issuers, the General Partner and its Affiliates are permitted to incur leverage on behalf of the Sub-Fund (*see* sub-section "— *Sub-Fund Leverage and Borrowing*" below).

Reliance on Third-Party Company Management

The day-to-day operations of each Portfolio Company or other issuer in which the Sub-Fund will invest will be the responsibility of such issuer's management team, which is expected to include representatives of other financial investors with whom the Sub-Fund is not affiliated and whose interests conflict with the interests of the Sub-Fund. Although the AIFM and the Investment Manager will be responsible for monitoring the performance of each investment and generally intend to invest in companies and other issuers operated by strong management, the Sub-Fund will rely significantly on the management teams and board of directors (or other governing bodies) of the Portfolio Companies and other issuers in which it invests. There can be no assurance that the existing management team of any issuer, or any successor thereto, will be able to operate such issuer in accordance with the Sub-Fund's expectations. Misconduct by management (or other employees) of any Portfolio Company or other issuer in which the Sub-Fund invests could cause significant losses in respect of the relevant investment. Similar considerations apply where the Sub-Fund invests through joint ventures, "club" deals and other arrangements in which third parties and third-party management teams have material control rights (*see* sub-section "— *Non-Controlling Investment Positions; Third-Party Involvement*" below).

Necessity for Counterparty Trading Relationships

The Sub-Fund could establish relationships in the future to obtain financing, derivative intermediation and prime brokerage services that permit the Sub-Fund to trade in a variety of markets or asset classes over time; however, there can be no assurance that the Sub-Fund will be able to maintain or establish such relationships. An inability to maintain or establish such relationships would limit the Sub-Fund's trading activities and could create losses, preclude the Sub-Fund from engaging in certain transactions or obtaining financing, derivative intermediation and prime brokerage services and prevent the Sub-Fund from trading at optimal rates and terms. Moreover, a disruption in the financing, derivative intermediation and prime brokerage services provided by any such relationships before the Sub-Fund establishes additional relationships could have a significant impact on the Sub-Fund's business due to the Sub-Fund's reliance on such counterparties.

Projections and Third-Party Reports

The Sub-Fund will generally establish the capital structure of an investment and the terms and targeted returns of such investment on the basis of financial, macroeconomic and other applicable projections. Projected operating results will normally be based primarily on investment executive judgments or third-party advice and reports. In all cases, projections are only estimates of future results that are based upon assumptions made at the time that the projections are developed. There can be no assurance that the projected results will be achieved and actual results could vary significantly from the projections. General economic, natural and other conditions, which are not predictable, can have an adverse impact on the reliability of such projections.

Expedited Investment Decisions; Opportunistic Investments

Investment analyses and decisions by the AIFM and/or the Investment Manager could be required to be undertaken on an expedited basis to take advantage of investment opportunities. While the Sub-Fund will generally not seek to make an investment until the AIFM and the Investment Manager have conducted sufficient due diligence to make a determination as to the acceptability of the credit quality of the investment and the underlying Portfolio Company or other issuer, in such cases, the information available to the AIFM and/or the Investment Manager at the time of making an investment decision could be limited, and they might not have access to detailed information regarding the investment. Therefore, no assurance can be given that the AIFM and/or the Investment Manager will have knowledge of all circumstances that could adversely affect an investment. Similar concerns arise to the extent that the Sub-Fund makes opportunistic investments in broadly syndicated debt. The circumstances of such investments

will not always facilitate the type of due diligence the AIFM and the Investment Manager generally seek to conduct in respect of their investments. In addition, the AIFM is permitted to rely upon outside advisors or consultants in connection with its evaluation of proposed investments. No assurance can be given as to the accuracy or completeness of the information provided by such outside advisors or consultants and the Sub-Fund could incur liability as a result of such consultants' actions.

Currency Risk

U.S. Dollar

A material portion of investments by the Sub-Fund, and the income received by the Sub-Fund with respect to such investments will be denominated in various non-U.S. currencies. However, the books of the Sub-Fund will be maintained, and subscription and redemption amounts and current income distributions (if any) will be paid and made, as applicable, in U.S. dollars. Accordingly, changes in currencies could adversely affect the U.S. dollar value of portfolio investments, interest and other revenue streams received by the Sub-Fund, gains and losses realized on the sale of portfolio investments and the amount of distributions, if any, made by the Sub-Fund. In addition, the Sub-Fund will incur costs in converting portfolio investment proceeds from one currency to another. The General Partner can (but is not required to) enter into Hedging Transactions designed to reduce such currency risks (*see* Section III, "*Share Class Information — Hedging*" above). Furthermore, the Portfolio Companies and other issuers in which the Sub-Fund invests could in many cases be subject to risks relating to changes in currency values, as described above. If a Portfolio Company or other issuer suffers adverse consequences as a result of such changes, the Sub-Fund would also be adversely affected.

Among the factors that could affect currency values are trade balances, the level of short-term interest rates, differences in relative values of similar assets in different currencies, long-term opportunities for investment and capital appreciation and political and economic developments. The General Partner could try to hedge these risks by investing directly in foreign currencies, buying and selling forward foreign currency exchange contracts and buying and selling options on foreign currencies, but there can be no assurance such strategies will be effective.

Currency Exposure Related to Classes Denominated in Currencies other than the U.S. Dollar

As described in Section III, "*Share Class Information*" of this Memorandum, the Sub-Fund currently offers Classes denominated in AUD as well as the U.S. dollar and in the future could make available Classes denominated in other currencies. Where the Sub-Fund offers Classes denominated in a currency other than the U.S. dollar, the Sub-Fund generally intends as far as it determines is reasonably practicable to enter into Hedging Transactions on behalf of such Class in order to seek to minimize currency risk exposure relative to the U.S. dollar, however, depending on the prevailing circumstances, the Sub-Fund may or may not hedge certain Classes, either partially or fully.

The objective of such Hedging Transactions is to seek to maintain a close similarity in any given period between the gross return of the Sub-Fund's U.S. dollar Classes, as expressed as a percentage increase in U.S. dollar value, and the gross return of such hedged Classes, as expressed as a percentage increase in the applicable non-U.S. currency value. However, hedging U.S. dollar-denominated assets with fluctuating and uncertain values is inherently difficult, and as a result there can be no assurance that the Hedging Transactions will be effective in achieving this objective. In particular, the gross returns of the relevant hedged Classes are expected to differ from the corresponding U.S. dollar Classes, and such differences could be material. To the extent the Hedging Transactions are partly or entirely unsuccessful, the Net Asset Value of the relevant Classes will fluctuate entirely with the U.S. dollar exchange rate as well as with the changes in value of the investments of the Sub-Fund. Utilizing hedging strategies involves special risks including possible default by a counterparty, illiquidity and, to the extent the Investment Manager's view as to certain market movements is incorrect, the risk that the use of a hedging strategy could result in losses greater than if it had not been used.

Shareholders subscribing for Classes denominated in a currency other than the U.S. dollar should note that there can be no guarantee that the currency Hedging Transactions which the Sub-Fund and/or its service providers put in place will be effective. The Sub-Fund and/or its service providers retain the sole discretion to determine how, when and to what extent to engage in currency transactions. Such expenses will be paid out of the assets allocable to the relevant hedged Classes and will reduce the Net Asset Value of such hedged Classes accordingly.

In relation to currency hedging undertaken, if any, in the interest of a hedged Class, investors should note that the various Classes of the Sub-Fund do not constitute separate portfolios of assets and liabilities. Accordingly, while gains and losses on the Hedging Transactions and the expenses of the hedging program will be allocated to the hedged Classes only, the Sub-Fund, as a whole (including the non-hedged Classes), may be liable for obligations in connection with currency hedges in favour of a specific Class of Shares. While the Sub-Fund will allocate the above currency hedging expenses to the relevant Classes and their Shareholders, there can be no assurance that the assets of the Sub-Fund attributable to such Classes will be sufficient to bear all such expenses. If the assets attributable to any such Class are insufficient to bear all such costs and liabilities, the assets of the other Classes and their Shareholders will be at risk for the excess because the relevant hedge counterparties are likely to have full recourse to all assets of the Sub-Fund. Additionally, any financing facilities or guarantees utilized in connection with such hedging program may be entered into by the Sub-Fund and not any specific Class.

Credit Investment Risk

Collateral Risk

One of the fundamental risks associated with the Sub-Fund's investments is credit risk, which is the risk that a borrower will be unable or unwilling to make principal and interest payments on its outstanding debt obligations, including the Sub-Fund's investment, when due. The Sub-Fund's returns to Shareholders will be adversely impacted if a borrower to which the Sub-Fund lends becomes unable to make such payments when due.

Although the Sub-Fund will generally seek to make investments that the AIFM and/or the Investment Manager believe are secured by specific collateral (the value of which could initially exceed the principal amount of such investments) and which, if securing first priority liens, generally cannot be pledged, lent, re-hypothecated or otherwise reused by the borrower, there can be no assurance that the liquidation of any such collateral would satisfy the borrower's obligation in the event of non-payment of scheduled interest or principal payments with respect to such investments, and such investments could be exposed to losses resulting from default and foreclosure. In the event of a foreclosure, the Sub-Fund could directly or indirectly assume ownership of the underlying collateral. There can be no assurance that such collateral could be readily liquidated or that the liquidation proceeds upon sale of any such collateral would satisfy the entire outstanding balance of principal and interest on the loan. Any costs or delays involved in the effectuation of a foreclosure of a loan or a liquidation of underlying collateral will further reduce proceeds realized from the loan and increase losses. In addition, in the event of bankruptcy of a borrower, the Sub-Fund could experience delays or limitations with respect to its ability to realize the benefits of the collateral securing an investment.

The Sub-Fund cannot guarantee the adequacy of the protection of the Sub-Fund's interests in connection with any investment, including the validity or enforceability of a loan and the maintenance of the anticipated priority and perfection of applicable security interests. Under certain circumstances, collateral securing an investment could be released without the consent of the Sub-Fund. The Sub-Fund's security interest with respect to investments in secured debt could be unperfected for a variety of reasons, including the failure to make required filings by lenders and, as a result, the Sub-Fund would not have priority over other creditors as anticipated. Furthermore, the Sub-Fund cannot assure that claims will not be asserted that could interfere with enforcement of the Sub-Fund's rights. First priority lien investments made by the Sub-Fund could, in certain cases, provide a first priority lien over some, but not all, of the assets of the relevant borrower, or permit other secured obligations (such as overdrafts, swaps or other derivatives made available by members of a syndicate to the borrower). In addition, a borrower could have two tranches of first lien debt outstanding, each with first liens on separate collateral. Any secured debt held by the Sub-Fund will be secured only to the extent of its lien and only to the extent of underlying assets or incremental proceeds on already secured assets.

The Sub-Fund has the ability to invest in second-lien debt investments and is permitted to hold high-yield securities, marketable and non-marketable common and preferred equity securities and warrants and other unsecured investments (including, but not limited to, to the extent it receives such assets in a restructuring or such assets are issued or otherwise acquired in connection with an investment in secured debt or in the operator or manager of any related platform), each of which involves a higher degree of risk than senior first-lien secured debt investments, including the re-use and subsequent loss of any such collateral by the borrower. Furthermore, the Sub-Fund's right to payment and its security interest, if any, could be subordinated to the payment rights and security interests of senior lenders with respect to some or all of

the assets of a Portfolio Company or other issuer. Certain of these investments could have an interest-only payment schedule, with the principal amount remaining outstanding and at risk until the maturity of the investment. In such cases, an issuer's ability to repay the principal of an investment could be dependent upon a liquidity event or the long-term success of the issuer, the occurrence of which is uncertain.

Similarly, while the Sub-Fund will generally target investing in Portfolio Companies and other issuers it believes are of high quality, these issuers could still present a high degree of business and credit risk. Issuers in which the Sub-Fund invests could deteriorate as a result of, among other factors, an adverse development in their businesses, a change in the competitive environment or the continuation or worsening of the current (or any future) economic and financial market downturns and dislocations. As a result, companies and other issuers that the Sub-Fund expected to be stable or improve could operate, or expect to operate, at a loss or have significant variations in operating results, could require substantial additional capital to support their operations or maintain their competitive position or could otherwise have a weak financial condition or be experiencing financial distress (*see also* sub-section "— *Bankruptcy, Restructuring, Insolvency and Other Proceedings*" below).

The terms of derivative Hedging Transactions entered into by the Sub-Fund could provide that related collateral given to, or received by, the Sub-Fund is permitted to be pledged, lent, re-hypothecated or otherwise re-used by the collateral taker for its own purposes. If collateral received by the Sub-Fund is reinvested or otherwise re-used, the Sub-Fund is exposed to the risk of loss on that investment. Should such a loss occur, the value of the collateral will be reduced and the Sub-Fund will have less protection if the counterparty defaults. Similarly, if the counterparty reinvests or otherwise re-uses collateral received from the Sub-Fund and suffers a loss as a result, it could not be in a position to return that collateral to the Sub-Fund should the relevant transaction complete, be unwound or otherwise terminate and the Sub-Fund is exposed to the risk of loss of the amount of collateral provided to the counterparty.

Recharacterization

The Sub-Fund is permitted to seek to place its representatives on the boards of certain companies or other issuers in which the Sub-Fund has invested. The Sub-Fund is also permitted to invest in Portfolio Companies or other issuers where KKR and/or Other KKR Funds have representatives on the boards of such issuers. While such representation could enable the Sub-Fund to enhance the sale value of its debt investments in an issuer, such involvement (and/or any equity interest of the Sub-Fund, KKR or any Other KKR Fund in such issuer) could also prevent the Sub-Fund from freely disposing of its debt investments and subject the Sub-Fund to additional liability or result in recharacterization of the Sub-Fund's debt investments as equity. The Sub-Fund will indemnify the General Partner and its Affiliates (including the AIFM, the Investment Manager and KKR), and the members, partners, equity holders, directors, officers, employees and, if specifically agreed by the General Partner, agents of or advisors to each of them, for claims arising from such board representation. The Sub-Fund will attempt to balance the advantages and disadvantages of such representation when deciding whether and how to exercise its rights with respect to such companies or issuers, but the exercise of such rights could produce adverse consequences in particular situations.

Fraudulent Conveyance, Lender Liability and Equitable Subordination

The Sub-Fund will not target investments in distressed companies or other issuers. It is possible, however, that companies or other issuers that the Sub-Fund determined to be financially stable as at the date of investment become distressed for a variety of reasons. Such investments ultimately could be subject to bankruptcy law and fraudulent transfer laws, which vary from jurisdiction to jurisdiction, if the debt obligations relating to such investments were issued with the intent of hindering, delaying or defrauding creditors or, in certain circumstances, if the issuer receives less than reasonably equivalent value or fair consideration in return for issuing such debt obligations. If the debt is used for a buyout of shareholders, this risk is greater than if the debt proceeds are used for day-to-day operations or organic growth. If a court were to find that the issuance of the debt obligations was a fraudulent transfer or conveyance, the court could void or otherwise refuse to recognize the payment obligations under the debt obligations or the collateral supporting such debt obligations, further subordinate the debt obligations or the liens supporting such obligations to other existing and future indebtedness of the issuer or require the Sub-Fund to repay any amounts received by it with respect to the debt obligations or collateral. In the event of a finding that a fraudulent transfer or conveyance occurred, it is possible that the Sub-Fund would not receive any repayment on the debt obligations.

Under certain circumstances, payments to the Sub-Fund and distributions by the Sub-Fund to the Shareholders could be reclaimed if any such payment or distribution is later determined to have been a fraudulent conveyance, preferential payment or similar transaction under applicable bankruptcy and insolvency laws. Furthermore, investments in restructurings could be adversely affected by statutes relating to, among other things, fraudulent conveyances, voidable preferences, lender liability and the court's discretionary power to disallow, subordinate or disenfranchise particular claims or recharacterize investments made in the form of debt as equity contributions.

Bankruptcy, Restructuring, Insolvency and Other Proceedings

In addition to those risks described above, investments in companies or other issuers involved in bankruptcy, restructuring or insolvency proceedings involve a number of significant risks. Many of the events within such proceedings can be adversarial and often beyond the control of creditors. While creditors generally are afforded an opportunity to object to significant actions, there can be no assurance that a bankruptcy, insolvency or other applicable court or judge will approve actions which are not contrary to the interests of the Sub-Fund. This is particularly the case in those jurisdictions which are considered to have 'debtor-friendly' insolvency or bankruptcy regimes and give a comparatively high priority to preserving the debtor company as a going concern or, alternatively, which seek to protect the interests of creditors with higher ranking claims in bankruptcy or of other key stakeholders, such as certain employees, pension trustees and/or trade creditors.

Generally, the duration of a bankruptcy or insolvency proceeding or a financial restructuring process can only be roughly estimated. Depending on the jurisdiction(s) concerned, the reorganization of a Portfolio Company or other issuer in which the Sub-Fund invests could involve the development and negotiation of a restructuring plan which will need to be approved by the requisite majority of creditors and, potentially, sanctioned by the relevant court or regulatory body. This process can involve substantial legal, professional and administrative costs to the issuer and the Sub-Fund and can be subject to unpredictable and lengthy delays, particularly in jurisdictions which do not have sophisticated insolvency legislation or specialized insolvency courts or judges and/or have a higher risk of political interference in insolvency proceedings or restructuring processes, all of which could have adverse consequences for the Sub-Fund. Following the onset of financial distress, a Portfolio Company or other issuer's competitive position and professional reputation could be negatively impacted, key management could depart, the issuer could not be able to invest adequately and key contracts and licenses could be terminated or renegotiated on less favourable terms, potentially leading to considerable impairment of its business, a risk which is increased by the fact that certain jurisdictions or markets in which the Sub-Fund can invest permit the exercise of contractual termination provisions linked solely to the insolvency or reorganization of the debtor company. In some cases, a Portfolio Company or other issuer could be unable to undertake a financial restructuring and could be required to enter into a formal liquidation or wind-down process. It should be noted, in this respect, that certain jurisdictions in which the Sub-Fund is permitted to invest have a historically poor track record of companies emerging from a formal reorganization or bankruptcy process. Although the Sub-Fund will invest only in debt, Portfolio Companies and other issuers that are encountering financial difficulty could not be in a position to meet their debt service obligations, which could result in accrued interest not being paid during any reorganization of such Portfolio Company or other issuer. Any investments in distressed companies or issuers can ultimately result in the total or partial write-down of principal (together with any accrued interest, fees and applicable premium).

Bankruptcy, insolvency and other applicable laws and regimes across the United States and non-U.S. jurisdictions can vary materially and could be more or less favourable to the Sub-Fund. In certain jurisdictions, applicable laws could require the board of directors of an insolvent company to initiate bankruptcy proceedings within a specified period of time in order to ensure compliance with their duties as directors, which could increase the risk of the Sub-Fund having to participate as a creditor in an uncontrolled bankruptcy process. There are a number of different statutory regimes which apply across the region in which the Sub-Fund can invest for the purposes of ranking creditor claims. The preferential claims of certain parties (for example, employee claims) that could rank ahead of the Sub-Fund pursuant to these laws could be very substantial and could impact the potential returns available to other creditors, such as the Sub-Fund. The balance between protecting creditor rights and protecting the debtor will also vary from jurisdiction to jurisdiction, with some comparatively 'debtor-friendly' insolvency regimes being able to impose moratoriums or stays on the enforcement of claims against the debtor or other long-term settlement structures in the absence of an agreed creditor proposal. Many jurisdictions in which the Sub-Fund is permitted to invest will have some form of insolvency clawback legislation, which could, for example, invalidate security created by an insolvent company in favour of the Sub-Fund in a stipulated

period prior to the onset of its insolvency, require the Sub-Fund to repay or turnover certain payments received from insolvent companies or permit the courts to render any repayment obligations under loans and other debt instruments held by the Sub-Fund unenforceable if such instruments were found to have been issued with the intent of hindering, delaying, defrauding or preferring creditors or as constituting a fraudulent transfer or conveyance. The Sub-Fund is permitted to invest in Portfolio Companies or other issuers in which an Other KKR Fund holds equity, including a controlling equity interest. In certain jurisdictions, such an equity stake (or an equity investment in the parent company of a Portfolio Company) held by an Other KKR Fund could result in the recharacterization of the Sub-Fund's debt investments as equity or otherwise result in the subordination of the claims of the Sub-Fund in respect of such Portfolio Company in an equity-like manner.

The AIFM, on behalf of the Sub-Fund, is permitted to elect to serve on creditors' committees or other groups to facilitate the preservation or enhancement of the Sub-Fund's position as a creditor in respect of a Portfolio Company or other issuer. In certain circumstances, a member of any such committee or group could owe certain obligations generally to all parties similarly situated that the committee represents. If the AIFM concludes that its obligations owed to the other parties as a committee or group member conflict with its duties owed to the Sub-Fund, it could request to resign from that committee or group, and the Sub-Fund would not realize the benefits, if any, of participation on the committee or group. In addition, and also as discussed above, if the Sub-Fund is represented on a committee or group, it could be restricted or prohibited under applicable law from trading in the investments in such issuer while it continues to be represented on such committee or group and/or while it continues to receive material information in relation to the financial performance of the issuer of a non-public nature.

Interest Rate Risk

The Sub-Fund's investments will expose it to interest rate risk, meaning that changes in prevailing market interest rates could negatively affect the value of such investments. Factors that can affect market interest rates include, without limitation, inflation, deflation, slow or stagnant economic growth or recession, unemployment, money supply, governmental monetary policies, international disorders and instability in U.S., European and other financial markets. There could be significant unexpected movements in interest rates, which movements could have adverse effects on Portfolio Companies and the economy as a whole. In a changing interest rate environment, it is possible that the Sub-Fund will not be able to manage this risk effectively. If the Sub-Fund is unable to manage interest rate risk effectively, the Sub-Fund's performance could be adversely affected. While KIT is permitted to seek to do so, it is not required to hedge its interest rate risk.

Inflation Risk

The Sub-Fund will commence its investment activities in a time of high inflation rates in the U.S., the European Union and other jurisdictions in which it will invest. If the Sub-Fund is unable to increase the revenue of its investments in times of higher inflation, the Sub-Fund's profitability could be adversely affected. Some of the Sub-Fund's investments could have long-term rights to income linked to some extent to inflation. Typically, as inflation rises, the Sub-Fund's investments earn more revenue but also incur higher expenses; as inflation declines, the Sub-Fund could be unable to reduce investment-related expenses in line with any resulting reduction in revenue. A rise in real interest rates would likely result in higher financing costs for the Sub-Fund's investments and could therefore result in a reduction in the amount of cash available for distribution to investors in the Sub-Fund.

Credit Rating

Rating agencies rate debt securities based upon their assessment of the likelihood of the receipt of principal and interest payments. Rating agencies do not consider the risks of fluctuations in market value or other factors that could influence the value of debt securities. Therefore, the credit rating assigned to a particular instrument could not be fully reflective of the true risks of an investment in such instrument. Credit rating agencies can change their methods of evaluating credit risk and determining ratings. These changes could occur quickly and often. While the Sub-Fund could give some consideration to ratings assigned to any debt investments in which it invests or otherwise assigned to other instruments issued by any Portfolio Company or other issuer in which it invests, such ratings could not be indicative of the actual credit risk of the Sub-Fund's investments in rated instruments or related investments.

High Yield Debt

The Sub-Fund can invest in debt investments that are classified as "higher-yielding" (and, therefore, higher-risk) investments. In most cases, such debt will be rated below "investment grade" or will be unrated and face ongoing uncertainties and exposure to adverse business, financial or economic conditions and the issuer's failure to make timely interest and principal payments. The market for high yield securities has previously experienced and could in the future experience periods of volatility and reduced liquidity. The market values of certain of these debt investments are likely to reflect individual corporate developments. General economic recession or a major decline in the demand for products and services in which the relevant issuer operates would likely have a materially adverse impact on the value of such securities. In addition, adverse publicity and investor perceptions, whether or not based on fundamental analysis, could also decrease the value and liquidity of these high yield debt investments.

Convertible Securities

The Sub-Fund is permitted to invest in or otherwise hold convertible securities. Convertible securities are bonds, debentures, notes, preferred stocks or other securities that can be converted into, or exchanged for, a specified amount of common stock of the same or a different issuer within a particular period of time at a specified price or formula. A convertible security entitles its holder to receive interest that is generally paid or accrued on debt or a dividend that is paid or accrued on preferred stock until the convertible security matures or is redeemed, converted or exchanged. Convertible securities have unique investment characteristics in that they generally (i) have higher yields than common stocks, but lower yields than comparable non-convertible securities, (ii) are less subject to fluctuation in value than the underlying common stock due to their fixed-income characteristics, and (iii) provide the potential for capital appreciation if the market price of the underlying common stock increases.

The value of a convertible security is a function of its "investment value" (determined by its yield in comparison with the yields of other securities of comparable maturity and quality that do not have a conversion privilege) and its "conversion value" (the security's worth, at market value, if converted into the underlying common stock). The investment value of a convertible security is influenced by changes in interest rates, with investment value declining as interest rates increase and increasing as interest rates decline. The credit standing of the relevant Portfolio Company or other issuer of such security and other factors also have an effect on the convertible security's investment value. The conversion value of a convertible security is determined by the market price of the underlying common stock. If the conversion value is low relative to the investment value, the price of the convertible security is governed principally by its investment value. To the extent the market price of the underlying common stock approaches or exceeds the conversion price, the price of the convertible security will be increasingly influenced by its conversion value. A convertible security generally will sell at a premium over its conversion value by the extent to which investors place value on the right to acquire the underlying common stock while holding a fixed-income security. Generally, the amount of the premium decreases as the convertible security approaches maturity.

A convertible security could be subject to redemption at the option of the issuer at a price established in the convertible security's governing instrument. If a convertible security held by the Sub-Fund is called for redemption, the Sub-Fund will be required to permit the issuer to redeem the security, convert it into the underlying common stock or sell it to a third-party. Any of these actions could have an adverse effect on the Sub-Fund's ability to achieve its investment objective.

Participation Interests

The Sub-Fund could invest in broadly syndicated loans indirectly through acquiring participation interests in all or a portion of a loan, or could have a participation or other derivative interest in (as opposed to direct ownership of) payments in respect of other targeted investments and any related collateral or an indirect interest (for example, through a swap or other derivative instrument) in such a participation or interest. Participations in a loan will result in a contractual relationship between the Sub-Fund and the institution participating out, or selling, the relevant portion of the loan and not with the obligor under the loan. Participation interests will only give the Sub-Fund the right to receive payments of principal and interest from the institution participating out the loan, and not directly from the obligor, and will typically give the Sub-Fund limited consent rights to amendments of the underlying credit documents. Similarly, the Sub-Fund will not have any direct rights or recourse in the collateral, if any, securing such loans. The underlying borrower can, in general, retain the right to determine whether remedies provided for in the underlying credit documents will be exercised, or waived, without any prior consultation with, or consent by, the Sub-Fund. In the event that the Sub-Fund enters into such an indirect investment, there can be no

assurance that the Sub-Fund's ability to realize upon a participation or derivative position will not be interrupted or impaired in the event of the bankruptcy or insolvency of any of the underlying borrower or the Sub-Fund's counterparty in such participation or derivative transaction.

Asset-Backed Securities

The Sub-Fund will invest in opportunities to directly finance certain financial assets including asset-backed securities ("**ABSs**") and other structured products, which are securities and instruments backed by mortgages, including commercial mortgage-backed securities, trade claims, instalment sale contracts, credit card receivables or other assets and which include collateralized debt obligations. The investment characteristics of ABSs differ from traditional debt securities. Among the major differences are that interest and principal payments are made more frequently, usually monthly, and that the principal can be prepaid at any time because the underlying loans or other assets generally can be prepaid at any time. ABSs are not secured by an interest in the related collateral. Credit card receivables, for example, are generally unsecured and the debtors are entitled to the protection of a number of consumer loan laws, many of which give such debtors the right to set off certain amounts owed on the credit cards, thereby reducing the balance due. Most issuers of ABSs backed by automobile receivables permit the servicers to retain possession of the underlying obligations. If the servicer were to sell these obligations to another party, there is a risk that the purchaser would acquire an interest superior to that of the holders of the related ABSs. In addition, because of the large number of vehicles involved in a typical issuance and technical requirements under state laws, the trustee for the holders of the ABSs could not have a proper security interest in all of the obligations backing such ABSs. Therefore, there is a possibility that recoveries on repossessed collateral will not, in some cases, be available to support payments on these securities. The risk of investing in ABSs is ultimately dependent upon payment of consumer loans by the debtor.

The collateral supporting ABSs is of shorter maturity than certain other types of loans and is less likely to experience substantial prepayments. ABSs are often backed by pools of any variety of assets, including, for example, leases, mobile home loans and aircraft leases, which represent the obligations of a number of different parties and use credit enhancement techniques such as letters of credit, guarantees or preference rights. The value of an ABS is affected by changes in the market's perception of the asset backing the security and the creditworthiness of the servicing agent for the loan pool, the originator of the loans or the financial institution providing any credit enhancement, as well as by the expiration or removal of any credit enhancement.

In addition, investments in subordinated ABSs involve greater credit risk of default than the senior classes of the issue or series. Default risks are further pronounced in the case of ABSs secured by, or evidencing an interest in, a relatively small or less diverse pool of underlying loans. Certain subordinated securities absorb all losses from default before any other class of securities is at risk, particularly if such securities have been issued with little or no credit enhancement equity. Such securities, therefore, possess some of the attributes typically associated with equity investments.

Zero Coupon and PIK Bonds

Because investors in zero coupon or PIK bonds receive no cash prior to the maturity or cash payment date applicable thereto, an investment in such securities to the extent made or otherwise held by the Sub-Fund generally has a greater potential for complete loss of principal and/or return than an investment in debt instruments that make periodic interest payments. Such investments are more vulnerable to the creditworthiness of the issuer and any other parties upon which performance relies.

Mezzanine Investments

Most of the Sub-Fund's mezzanine investments (if any) are expected to be unsecured and made in issuers whose capital structures have significant indebtedness ranking ahead of the investments, all or a significant portion of which could be secured. As a result, upon any distribution to any such issuer's creditors in a bankruptcy, liquidation or reorganization or similar proceeding, the holders of such senior and/or secured indebtedness (to the extent of the collateral securing such obligations) will be entitled to be paid in full before any payment will be made on the Sub-Fund's investments. In the event of a bankruptcy, liquidation or reorganization or similar proceeding relating to an issuer in which the Sub-Fund has made any such investment, the Sub-Fund will participate with all other holders of such issuer's indebtedness in the assets remaining after the issuer has paid all of its senior and/or secured indebtedness (to the extent of the collateral securing such obligation). In such circumstances it is possible that an

issuer could not have sufficient funds to pay all of its creditors and the Sub-Fund could receive nothing, or less, ratably, than the holders of senior and/or secured indebtedness of such issuers or other holders of indebtedness of the issuer that is not subordinated.

While the investments could benefit from the same or similar financial and other covenants as those enjoyed by the indebtedness ranking ahead of the Sub-Fund's investments and could benefit from cross-default provisions and security over the assets of the relevant issuer, some or all of such terms could not be part of particular investments. Moreover, the ability of the Sub-Fund to influence an issuer's affairs, especially during periods of financial distress or following an insolvency, is likely to be substantially less than that of senior creditors. For example, under terms of subordination agreements, senior creditors will typically be able to block the acceleration of the mezzanine debt or other exercises by the Sub-Fund of its rights as a creditor. Accordingly, the Sub-Fund could be unable to take the steps necessary to protect its investments in a timely manner or at all and there can be no assurance that the rate of return objectives of the Sub-Fund in respect of such investments will be achieved. In addition, the mezzanine investments made by the Sub-Fund could not be protected by financial covenants or limitations upon additional indebtedness, could have limited liquidity and are not expected to be rated by a credit rating agency.

Mezzanine investments generally are subject to various risks, including, without limitation: (i) a subsequent characterisation of an investment as a "fraudulent conveyance" under relevant creditors' rights laws possibly resulting in the avoidance of collateral securing the investment or the cancellation of the obligation representing the investment; (ii) the recovery as a "preference" of liens perfected or payments made on account of a debt in the 90 days before a bankruptcy filing; (iii) equitable subordination claims by other creditors; (iv) so-called "lender liability" claims by the issuer of the obligations; and (v) environmental liabilities that could arise with respect to collateral securing the obligations. Additionally, adverse credit events with respect to any issuer in which the Sub-Fund invests, such as missed or delayed payment of interest and/or principal, bankruptcy, receivership or distressed exchange, can significantly diminish the value of the Sub-Fund's investment in any such issuer.

Early Prepayment

Senior debt investments of the type targeted by the Sub-Fund generally have maturities ranging from five to seven years. Given that senior debt often is repaid early, the actual maturity of such investments is typically shorter than their stated final maturity calculated solely on the basis of the stated life and repayment schedule. Generally, voluntary prepayments are permitted and the timing of prepayments cannot be predicted with any accuracy. The degree to which borrowers prepay senior debt, whether as a contractual requirement or at their election, could be affected by general business conditions, market interest rates, the borrower's financial condition and competitive conditions among lenders. Prepayments are likely to be made during any period of declining interest rates. Such prepayments could result in the Sub-Fund receiving a lower than anticipated yield on such investments.

Limited Amortization Requirements

The Sub-Fund is permitted to invest in loans that have limited mandatory amortization requirements. While these loans could obligate the borrower to repay the loans out of asset sale proceeds or with annual excess cash flow, repayment requirements could be subject to substantial limitations that would allow a borrower to retain such asset sale proceeds or cash flow, thereby extending the expected weighted average life of the investment. In addition, a low level of amortization of any debt over the life of the investment could increase the risk that a borrower will not be able to repay or refinance the loans held by the Sub-Fund when it matures.

Risks Arising from Purchases of Debt on a Secondary Basis

The Sub-Fund is expected to invest in loans and debt securities acquired on a secondary basis. The Sub-Fund is unlikely to be able to negotiate the terms of such debt as part of its acquisition and, as a result, these investments will likely not include some of the covenants and protections the Sub-Fund expects to generally seek. Even if such covenants and protections are included in the investments held by the Sub-Fund, the terms of the investments could provide the relevant Portfolio Companies or other issuers with substantial flexibility in determining compliance with such covenants. In addition, the terms on which debt is traded on the secondary market could represent a combination of the general state of the market for such investments and either favourable or unfavourable assessments of particular investments by the sellers thereof.

Transition Away from LIBOR

The LIBOR and other inter-bank lending rates and indices (such rates and indices which are deemed to be benchmark rates together with LIBOR, the "**Benchmark Rates**") and as of December 31, 2021, certain Benchmark Rates (all seven Euro and Swiss franc LIBOR tenors, overnight, one-week, two-month and 12-month sterling LIBOR, spot next, one-week, two-month and 12-month yen LIBOR, and one-week and two-month U.S. dollar LIBOR) have been permanently discontinued. Publication of the overnight and 12-month U.S. dollar LIBOR settings will permanently cease immediately after June 30, 2023. The U.S. federal banking agencies have issued guidance strongly encouraging banking organizations to cease using U.S. dollar LIBOR as a reference rate in new contracts. It is uncertain whether or for how long LIBOR will continue to be viewed as an acceptable market benchmark, what rate or rates may become accepted alternatives to LIBOR, or what effect any such changes may have on the financial markets for LIBOR-linked financial instruments. Similar statements have been made by regulators with respect to the other Interbank Offered Rates (each, an "**IBOR**"). Regulators and market participants are working to develop successor rates and transition mechanisms to amend existing instruments and contracts to replace the IBORs with a new rate. For example, the Alternative Reference Rate Committee, a private-sector working group convened by the Federal Reserve Board and the Federal Reserve Bank of New York to identify alternative reference rates for LIBOR (the "**ARRC**"), and the International Swaps and Derivatives Association, Inc., a global trade association representing leading participants in the derivatives industry ("**ISDA**"), have taken significant steps toward the development of consensus-based fallbacks and alternatives to LIBOR, which appear constructive for end-users. In particular, the ARRC has published recommended fallback language for new issuances of several LIBOR-linked products. The ARRC fallback recommendations are intended to minimize disruptions when LIBOR is permanently discontinued or is no longer representative. In addition, ISDA has amended certain of its standard derivatives documentation to implement fallbacks for certain key IBORs and has published an ISDA protocol to facilitate amendments to existing derivatives documentation. The ISDA fallbacks will apply if the relevant IBOR is permanently discontinued or is determined to be no longer representative, based on defined triggers. There can be no assurance, however, that the alternative rates and fallbacks will be broadly adopted and/or effective at preventing or mitigating disruption as a result of the transition. The termination of LIBOR and IBORs could present other risks to the Sub-Fund. It is not possible at this point to identify those risks exhaustively but, in addition to the risks outlined above, they include the risk that an acceptable transition mechanism may not be found or may not be suitable for the Sub-Fund. Moreover, any alternative reference rate and any pricing adjustments required in connection with the transition from LIBOR or an IBOR could impose costs on, or may not be suitable for, the Sub-Fund, resulting in costs incurred to close out positions and enter into replacement trades. The Sub-Fund may undertake transactions in instruments that are valued using LIBOR rates or rates of an IBOR or enter into contracts that determine payment obligations by reference to LIBOR or an IBOR. Until their discontinuance, the Sub-Fund may continue to invest in instruments that reference LIBOR or IBORs.

In addition, as part of the transition to a replacement benchmark, parties may seek to adjust the spreads relative to such benchmarks in underlying contractual arrangements. It is not possible to predict the effect of any such changes, any establishment of alternative reference rates, whether the COVID-19 outbreak will have further effect on LIBOR transition timelines or plans, or other reforms to the Benchmark Rates that may be enacted in the United States, UK or elsewhere.

It should also be noted that the interest rates applicable to cash equivalents held by the Sub-Fund may be fixed or floating and are generally expected to be lower than the interest rates on the investments. Accordingly, changes in the level of any applicable floating rate index or the holding of significant assets in the form of cash equivalents could adversely affect the ability of the Sub-Fund to make debt service payments on the aggregate outstanding amount of indebtedness.

Non-performing Loans Directive

On November 24, 2021, the European Parliament approved the final version of Directive 2021/2167 which addresses high levels of non-performing loans held by banks in the EU (the "**NPL Directive**"). The NPL Directive took effect December 28, 2021 with the deadline for implementation in all member states being December 29, 2023. The NPL Directive targets certain entities acting as credit servicers which become subject to new requirements in relation to the conduct of credit servicing business. The impact of the NPL Directive on the operations of the Sub-Fund and its service providers is presently unclear and will take time to quantify, but may be significant, taking into consideration (a) the new

obligations of the (i) credit servicers and (ii) credit purchasers and (b) the new pre-sale and post-sale disclosers and reporting, as foreseen under the NPL Directive.

Sub-Fund Leverage and Borrowing

General

The Sub-Fund will seek to make certain investments on a leveraged basis, and a portion of such borrowing could be at floating interest rates. Leverage could be applied with respect to the Sub-Fund's portfolio as a whole or with respect to one or more investments, and the presence of such borrowings will magnify the volatility of the Sub-Fund's investment portfolio and substantially increase the risk profile of the Sub-Fund and its investments. In addition to more traditional borrowing structures, the Sub-Fund could structure credit facilities through the use of one or more revolving credit facilities or a special purpose vehicle, including, without limitation, one in which the lenders are senior secured note holders and the Sub-Fund is a subordinated note holder. No assurance can be given that financing for the Sub-Fund's investments will be obtained by the Sub-Fund, or obtained on favourable or acceptable terms, including terms which reflect the financing provided by the Sub-Fund. In addition, once initial financing is obtained by the Sub-Fund, no assurance can be given that such financing will subsequently be available throughout the life of the Sub-Fund or any individual investment. If the Sub-Fund is unable to obtain financing, including on favourable terms that reflect its underlying investment (for example, term of borrowing by the Sub-Fund versus term of financing provided by the Sub-Fund), this could have a material adverse effect on the Sub-Fund's ability to achieve its investment objectives and the rate of return on invested capital.

Utilization of such leverage (including through credit facilities, guarantees, letters of credit, line of credit, equity commitment letters, margin financing, options, futures, repurchase agreements, contracts, short sales, swaps (including total return swaps) and other derivative instruments or similar credit support) will result in fees, expenses and interest costs borne by the Sub-Fund. The principal, interest expense and other costs incurred in connection with any leverage incurred by the Sub-Fund will not necessarily be recovered by the income from and appreciation in the investments of the Sub-Fund. Gains realized with borrowed funds could cause the Sub-Fund's returns to increase at a faster rate than would be the case without borrowings. If, however, investment results fail to cover the principal, interest and other costs of borrowings, the Sub-Fund's returns could also decrease faster than if there had been no borrowings. Additionally, if the investments fail to perform to expectation, the interests of Shareholders will be structurally subordinated to such leverage, which will compound any such adverse consequences. Lenders could, under the terms of financing arrangements put in place with them, have the right to withhold distributions of interest payments in respect of any or all leveraged investments for various reasons, including in the event that any such investment fails to perform to expectation.

The Sub-Fund's use of borrowings to create leverage subjects the Sub-Fund to additional risks. For example, depending on the type of facility, a decrease in the market value of the Sub-Fund's investments, which, among other things, could be caused by a decrease in the credit rating of the investments, would increase the effective amount of leverage and could result in the possibility of a "margin call," pursuant to which the Sub-Fund must either deposit additional funds or collateral with the lender (which may not be readily available) or suffer mandatory liquidation of the pledged collateral to compensate for the decline in value. Liquidation of its investments at an inopportune time in order to satisfy a "margin call" would adversely impact the performance of the Sub-Fund and could, if the value of its collateral has declined enough, cause the Sub-Fund to lose all or a substantial amount of its capital. Moreover, an increase in capital required to satisfy "margin calls" will effectively reduce the amount of capital available for other investments and could adversely affect the diversification of the Sub-Fund's portfolio. In the event of a sudden, precipitous drop in the value of the Sub-Fund's assets, the Sub-Fund could not be able to liquidate assets quickly enough to pay off its debt.

The Sub-Fund's assets, including any investments made by the Sub-Fund and any capital held by the Sub-Fund, are available to satisfy all liabilities and other obligations of the Sub-Fund. If the Sub-Fund defaults on secured indebtedness, the lender could foreclose and the Sub-Fund could lose its entire investment in the collateral for such loan. If the Sub-Fund itself becomes subject to a liability, parties seeking to have the liability satisfied could have recourse to the Sub-Fund's assets generally and not be limited to any particular asset, such as the investment giving rise to the liability. The Sub-Fund's financing arrangements could be structured generally as a portfolio financing where all investments are cross-collateralized and multiple investments would then be subject to the risk of loss. As a result, the Sub-Fund could lose its

interests in several performing investments in the event any investment is cross-collateralized with poorly performing or non-performing investments (*see* sub-section "*— Investments in Highly Leveraged Companies*" above).

Credit Facility Covenants

Any asset-backed credit facility entered into by the Sub-Fund may be backed by all or a portion of the Sub-Fund's loans and securities on which the lenders will have a security interest. The Sub-Fund may pledge up to 100% of its assets and may grant a security interest in all of its assets under the terms of any debt instrument it enters into with lenders. It is expected that any security interests it grants will be set forth in a pledge and security agreement and evidenced by the filing of financing statements by the agent for the lenders. In addition, it is expected that the custodian for its securities serving as collateral for such loan would include in its electronic systems notices indicating the existence of such security interests and, following notice of occurrence of an event of default, if any, and during its continuance, will only accept transfer instructions with respect to any such securities from the lender or its designee. If the Sub-Fund were to default under the terms of any debt instrument, the agent for the applicable lenders would be able to assume control of the timing of disposition of any or all of its assets securing such debt, which would have a material adverse effect on the Sub-Fund's business, financial condition, results of operations and cash flows. In connection with one or more credit facilities entered into by the Sub-Fund, distributions to Shareholders may be subordinated to payments required in connection with any indebtedness contemplated thereby.

In addition, any security interests and/or negative covenants required by a credit facility may limit the Sub-Fund's ability to create liens on assets to secure additional debt and may make it difficult for the Sub-Fund to restructure or refinance indebtedness at or prior to maturity or obtain additional debt or equity financing. In addition, if the Sub-Fund's borrowing base under a credit facility were to decrease, it may be required to secure additional assets in an amount sufficient to cure any borrowing base deficiency. In the event that all of the Sub-Fund's assets are secured at the time of such a borrowing base deficiency, it could be required to repay advances under a credit facility or make deposits to a collection account, either of which could have a material adverse impact on the Sub-Fund's ability to fund future investments and to make distributions.

In addition, the Sub-Fund may be subject to limitations as to how borrowed funds may be used, which may include restrictions on geographic and industry concentrations, loan size, payment frequency and status, average life, collateral interests and investment ratings, as well as regulatory restrictions on leverage which may affect the amount of funding that may be obtained. There may also be certain requirements relating to portfolio performance, including required minimum portfolio yield and limitations on delinquencies and charge-offs, a violation of which could limit further advances and, in some cases, result in an event of default. An event of default under a credit facility could result in an accelerated maturity date for all amounts outstanding thereunder, which could have a material adverse effect on the Sub-Fund's business and financial condition. This could reduce the Sub-Fund's liquidity and cash flow and impair our ability to grow the Sub-Fund's business.

Structured Financing

To finance investments, the Sub-Fund may securitize certain of its secured loans or other investments, including through the formation of one or more CLOs, while retaining all or most of the exposure to the performance of these investments. This would involve contributing a pool of assets to a special purpose entity and selling debt interests in such entity on a non-recourse or limited-recourse basis to purchasers.

If the Sub-Fund creates a CLO, it will depend in part on distributions from the CLO's assets out of its earnings and cash flows to enable it to make distributions to Shareholders. The ability of a CLO to make distributions will be subject to various limitations, including the terms and covenants of the debt it issues. Also, a CLO may take actions that delay distributions in order to preserve ratings and to keep the cost of present and future financings lower or the CLO may be obligated to retain cash or other assets to satisfy over-collateralization requirements commonly provided for holders of the CLO's debt, which could impact the Sub-Fund's ability to receive distributions from the CLO. In addition, a decline in the credit quality of loans in a CLO due to poor operating results of the relevant borrower, declines in the value of loan collateral or increases in defaults, among other things, may force a CLO to sell certain assets at a loss, reducing its earnings and, in turn, cash potentially available for distribution to the Sub-Fund for

distribution to Shareholders. To the extent that any losses are incurred by the CLO in respect of any collateral, such losses will be borne first by the Sub-Fund as owner of equity interests in the CLO.

The manager for a CLO that is created by the Sub-Fund may be the Investment Manager or an Affiliate of the Investment Manager, and such manager may be entitled to receive compensation for structuring and/or management services. To the extent the Investment Manager or an Affiliate of the Investment Manager serves as manager and the Sub-Fund is obligated to compensate the Investment Manager or such Affiliate for such services, the Sub-Fund, the Investment Manager or such Affiliate will implement offsetting arrangements to assure that the Sub-Fund, and indirectly, its Shareholders, pay no additional management fees to the Investment Manager or such Affiliate in connection therewith. To the extent the Investment Manager serve as manager, it will waive any right to receive fees for such services from the Sub-Fund (and indirectly the Shareholders) or any of its Affiliates.

Syndication and Warehousing

KKR, Other KKR Funds or Affiliates or related parties of the foregoing or other counterparties (including, for the avoidance of doubt, any bank warehouse counterparty, which may be structured as a securitization vehicle issuing a total return swap, junior and/or "first loss" notes, the price of which will be linked to the value of the underlying assets, or otherwise, which in each case may be guaranteed, financed or partially financed by any of the foregoing) could acquire an asset (including, for the avoidance of doubt, a Warehoused Investment) as principal and subsequently sell some or all of it to the Sub-Fund, Other KKR Funds or co-investors in an Affiliate or related party transaction. Similarly, the Sub-Fund may acquire an asset (including a Warehoused Investment) and subsequently syndicate, or sell some or all of it, to KKR, Other KKR Funds, co-investors or Affiliates or related parties of the foregoing or other third parties, notwithstanding the availability of capital from the Shareholders and other investors thereof or applicable credit facilities. While it is generally expected that any such assets, including Warehoused Investments (if any), will be transferred by KKR or its Affiliates, as applicable, to the Sub-Fund at cost, such transfers may be made at cost, or cost *plus* an interest rate or carrying cost charged from the time of acquisition of the assets by KKR or its Affiliate to the time of transfer, notwithstanding that the fair market value of any such assets (including any Warehoused Investment) may have declined below or increased above cost from the date of acquisition by KKR or its Affiliates, as applicable, to the time of such transfer. KKR or its Affiliates, as applicable, may also determine another methodology for pricing such transfers, including the fair market value of the relevant assets at the time of transfer. It may be possible that the Sub-Fund acquires such assets at above fair market value or, in transactions where the Sub-Fund sells such assets, separately sells such assets at below fair market value. Also, KKR or its Affiliates may charge fees on such transfers to either or both of the parties to such transactions to the extent permitted under applicable law and any other limitations set forth herein. KKR or its Affiliates, as applicable, will be permitted to retain any portion of any asset (including any Warehoused Investment) initially acquired by such party with a view to syndication to the Sub-Fund, Other KKR Funds, co-investors or other potential purchasers to the extent such portion has not been syndicated after reasonable efforts to do so. As part of structuring such syndication and warehousing arrangements, KKR or its Affiliates, as applicable, may require the Sub-Fund and Other KKR Funds to enter into conditional purchase agreements, where the Sub-Fund and/or such Other KKR Funds agree to acquire future assets acquired by KKR or its Affiliates: (i) prior to their original acquisition by KKR or its Affiliates; and (ii) prior to the Sub-Fund and such Other KKR Funds having the requisite available capital to acquire such assets, in each case with such sale being conditional upon the Sub-Fund and/or such Other KKR Funds (as the case may be) having sufficient available capital in order to acquire the relevant assets. Conflicts of interest are expected to arise in connection with these potential syndication or warehouse arrangements and any related Affiliate transactions, including with respect to timing, allocations of investments, structuring, pricing and other terms of the transactions related thereto. For example, KKR will have a conflict of interest if KKR were to receive fees, including an incentive allocation, from an Other KRR Fund acquiring from or transferring to the Sub-Fund all or a portion of an investment (including any Warehoused Investment). Where the Sub-Fund acquires assets with a view to syndicating such assets to KKR, Other KKR Funds, co-investors or Affiliates or related parties of the foregoing or other third parties, there is no guarantee that such parties will acquire such assets and the Sub-Fund may be required to retain positions in such assets that are larger than the position size targeted by the Sub-Fund.

These conflicts related to syndication of investments and warehousing will not necessarily be resolved in favour of the Sub-Fund, and Shareholders may not be entitled to receive notice or disclosure of the occurrence of these conflicts. By subscribing for Shares, Shareholders will be deemed to have

acknowledged the syndication of investments (including any Warehoused Investments) and warehousing and any conflicts arising in connection therewith.

Issuers and Issuer Management

Non-Controlling Investment Positions; Third-Party Involvement

The Sub-Fund could hold debt obligations of Portfolio Companies and other issuers as part of a "club" deal and could hold a minority interest in any facility or tranche with respect to such debt obligations, and will generally otherwise hold non-controlling interests in Portfolio Companies and other issuers in which it makes investments. In such circumstances, the Sub-Fund could have a limited ability to exercise influence over voting decisions with respect to such loan facility or tranche or otherwise protect its investment in such issuers, although as a condition of investment in a Portfolio Company or other issuer, the Sub-Fund expects that appropriate rights generally will be sought to protect the Sub-Fund's interests. The Sub-Fund could also have a limited ability to conduct comprehensive due diligence on the underlying issuers in advance of making such investments. Issues and risks relating to such issuers subsequently identified by the Sub-Fund could adversely impact the value of such positions.

By way of example, the terms and conditions of loan agreements and related assignments could be amended, modified or waived only by the agreement of the lenders. Generally, any such agreement must include a majority or a supermajority (measured by outstanding loans or commitments) or, in certain circumstances, a unanimous vote of the lenders. Consequently, the terms and conditions of the payment obligation arising from loan agreements could be modified, amended or waived in a manner contrary to the preferences of the Sub-Fund if a sufficient number of the other lenders co-investing with the Sub-Fund concurred with such modification, amendment or waiver. There can be no assurance that any obligations arising from a loan agreement will maintain the terms and conditions to which the Sub-Fund originally agreed.

In addition, the Sub-Fund can form, enter into or invest in joint ventures, investment platforms and other arrangements with third-party or affiliated managers or other persons with respect to specified portfolio investments or categories of investments, which third parties could have larger or controlling ownership interests in or governance rights over applicable investment vehicles (*see* "*— Platforms, Joint Ventures and Other Portfolio Asset Arrangements*" under Section XIII, "*Potential Conflicts of Interest*" below). As a co-investor in any such arrangement, the Sub-Fund could have interests or objectives that are inconsistent with such third parties. Such investments could involve risks in connection with such third-party involvement, including the possibility that a third party could have financial difficulties resulting in a negative impact on such investments. Furthermore, a third-party co-investor could have economic or business interests or goals that are inconsistent with those of the Sub-Fund, or could be in a position to take (or block) action in a manner contrary to the Sub-Fund's investment objectives. In addition, the Sub-Fund could, in certain circumstances, be liable for the actions of its third-party co-investors. While the Sub-Fund could seek to obtain indemnities to mitigate such risk, such efforts could be unsuccessful. Investments made with third parties in joint ventures or other entities also could involve compensation arrangements including carried interest distributions, incentive fees and/or other fees (including, for example, servicing fees) and profit-sharing arrangements payable to such third-party partners or co-investors, particularly in those circumstances where such third-party partners or co-investors include a management group. There can be no assurance that minority rights will be available or that such rights will provide sufficient protection of the Sub-Fund's interests (*see also* sub-section "*— Reliance on Third-Party Company Management*" above).

Small-Cap and Middle-Market Companies

The Sub-Fund will invest in opportunities involving middle-market companies and may invest in smaller cap companies from time to time on an opportunistic basis. While such companies generally have potential for rapid growth, they often involve higher risks because they lack the management experience, financial resources, product diversification and competitive strength of larger corporations. The prices of the securities of smaller-cap companies are generally more volatile than prices of the securities of companies with large market capitalizations and the risk of bankruptcy or insolvency of such companies is generally higher than for larger companies. In addition, in many instances, the frequency and volume of the trading of investments, including bonds issued by small cap and middle-market companies, is substantially less than is typical of larger companies and as such it could be more difficult for the Sub-

Fund to exit an investment in a small cap or middle-market company at its then fair value than would be the case with a larger cap investment.

Investments in Platform Operators and Managers

The Sub-Fund is permitted to make investments in newly formed operators and managers established to pursue private credit opportunities through joint venture and other origination, investment or servicing platform arrangements. Such companies will have no or short operating histories, new technologies and products and their management teams could have limited experience working together, all of which enhance the difficulty of evaluating these investment opportunities. The management of such companies will need to implement and maintain successful finance personnel and other operational strategies and resources in order to become and remain successful. Other substantial operational risks to which such companies are subject include uncertain market acceptance of the company's services, a potential regulatory risk for new or untried and/or untested business models (if applicable), products and services to the extent they relate to regulated activities in the relevant jurisdiction, high levels of competition among similarly situated companies, lower capitalizations and fewer financial resources and the potential for rapid organizational or strategic change. Such companies will have no or short operating histories on which to judge future performance and in many cases, if operating, will have negative cash flow.

Investments in Companies in Regulated Industries

Certain industries are heavily regulated. To the extent that the Sub-Fund makes investments in Portfolio Companies and other issuers that are involved in industries that are subject to greater amounts of regulation than other industries generally, such investments would pose additional risks relative to investments in other companies and issuers. Changes in applicable laws or regulations, or in the interpretations of these laws and regulations, could result in increased compliance costs or the need for additional capital expenditures for such companies or issuers. If a Portfolio Company or other issuer in which the Sub-Fund invests fails to comply with these requirements, it could also be subject to civil or criminal liability and the imposition of fines. Portfolio companies and other issuers also could be materially and adversely affected as a result of statutory or regulatory changes or judicial or administrative interpretations of existing laws and regulations that impose more comprehensive or stringent requirements on them. Governments have considerable discretion in implementing regulations that could impact a Portfolio Company's or other issuer's business, and governments could be influenced by political considerations and could make decisions that adversely affect a Portfolio Company's or other issuer's business. Additionally, certain Portfolio Companies and other issuers could have a unionized workforce or employees who are covered by a collective bargaining agreement, which could subject their activities and labour relations matters to complex laws and regulations relating thereto. Moreover, their operations and profitability could suffer if they experience labour relations problems. Upon the expiration of their collective bargaining agreements, they could be unable to negotiate new collective bargaining agreements on terms favourable to them, and their business operations at one or more of their facilities could be interrupted as a result of labour disputes or difficulties and delays in the process of renegotiating their collective bargaining agreements. Work stoppages could have a material adverse effect on the business, results of operations and financial condition of any such Portfolio Companies or other issuers. Any such problems could impact the credit quality of any such Portfolio Company or other issuer or otherwise adversely impact an investment in such Portfolio Company or other issuer by the Sub-Fund and additionally could bring scrutiny and attention to the Sub-Fund itself, which could adversely affect the Sub-Fund's ability to implement its investment objectives.

There can be no assurance that a Portfolio Company or other issuer targeted by the Sub-Fund will be able to (i) obtain all required regulatory approvals that it does not yet have or that it could require in the future; (ii) obtain any necessary modifications to existing regulatory approvals; or (iii) maintain required regulatory approvals. Delay in obtaining or failure to obtain and maintain in full force and effect any regulatory approvals, or amendments thereto, or delay or failure to satisfy any regulatory conditions or other applicable requirements could prevent such Portfolio Company or other issuer from operating in accordance with the Sub-Fund's expectations, could limit its ability to engage in certain regulated activities or could otherwise result in additional costs which have an adverse impact on any investment by the Sub-Fund in such company or other issuer.

Energy Related Investments

General

The Sub-Fund could invest in loans and other instruments and securities issued by Portfolio Companies and other issuers involved in the energy industry. Electric generation and transmission, as well as oil, natural gas, and coal storage, handling, processing and transportation, are typically regulated to varying degrees. In addition to restrictions imposed by environmental regulators (see below), statutory and regulatory requirements also include those imposed by energy, zoning, land use, safety, labour and other regulatory or political authorities. It is possible that changes to applicable regulations or regulatory practice could have adverse consequences for an investment of the Sub-Fund.

Ordinary operation or the occurrence of an accident with respect to an energy-related investment could cause major environmental damage, which could result in significant financial distress to the relevant Portfolio Company or other issuer, if not covered by insurance, which could occur as a result of such asset or Portfolio Company not carrying adequate insurance coverage or, in some cases, as a result of the relevant environmental damage not being fully insurable. Certain environmental laws and regulations, which could be more restrictive or unclear in some non-U.S. jurisdictions in which the Sub-Fund invests, require that an owner or operator of an energy asset addresses prior environmental contamination, which could involve substantial cost. Such laws and regulations often impose liability without regard to whether the owner or operator knew of, or was responsible for, the release or presence of environmental contamination. As a result, certain of the Sub-Fund's investments in the energy sector could be exposed to substantial risk of loss from environmental claims. Furthermore, changes in environmental laws or regulations or the environmental condition of an energy investment could create liabilities that did not exist at the time of the investment by the Sub-Fund and that could not have been foreseen. Community and environmental groups could protest about the development or operation of energy assets, which could induce government action to the detriment of the Sub-Fund. New and more stringent environmental or health and safety laws, regulations and permit requirements, or stricter interpretations of current laws, regulations or requirements, could impose substantial additional costs on the issuer of a portfolio investment, or could otherwise place such issuers at a competitive disadvantage compared to other companies, and failure to comply with any such requirements could have an adverse effect on such issuers and any related investment held by the Sub-Fund. Some of the most onerous environmental requirements regulate air emissions of pollutants and greenhouse gases; these requirements particularly affect companies in the power and energy industry.

Energy Industry Market Dislocation

Recent events in the energy markets have caused significant dislocations and illiquidity in the credit market for energy companies. To the extent that such events are not temporary and continue (or even worsen), this could have an adverse impact on the availability of credit to these businesses and could lead to an overall weakening of the U.S. and global economies. Any resulting economic downturn could adversely affect the financial resources of and returns generated by a Portfolio Company in this sector. Such marketplace events could also restrict the ability of the Sub-Fund to sell or liquidate portfolio investments at favourable times or for favourable prices. A stabilization or improvement of the conditions in the global financial markets generally and the energy markets specifically likely would aid the Sub-Fund's portfolio investments in this sector. Absent a recovery in these markets or in the event of a further market deterioration, the value of the Sub-Fund's portfolio investments in the energy sector (if any) could not appreciate as projected (if applicable) or could suffer a loss. There can be no assurance as to the duration of any perceived current energy market dislocation.

Commodity Prices

Investments made by the Sub-Fund, particularly in the energy sector, could be subject to commodity price risk. The operation and cash flows of any Portfolio Company or other issuer in which the Sub-Fund invests could depend, in some cases to a significant extent, upon prevailing market prices of commodities, including for example, commodities such as oil, gas, coal, electricity, steel or concrete. Commodity prices fluctuate depending on a variety of factors beyond the control of the AIFM, the Investment Manager or the Sub-Fund, including, without limitation, weather conditions, foreign and domestic supply and demand, force majeure events, changes in law, governmental regulations, price and availability of alternative commodities, international political conditions and overall economic conditions.

Without limiting the foregoing, to the extent that the Sub-Fund makes investments in the oil and gas industry, the Sub-Fund's performances in respect thereof will be impacted by, among other things, changes in oil, natural gas and natural gas liquids prices. Oil, natural gas and natural gas liquids prices have been, and are likely to continue to be, volatile and subject to wide fluctuations in response to any of

the following factors: (i) relatively minor changes in the supply of and demand for oil, natural gas, natural gas liquids or coal; (ii) market uncertainty and the condition of various economies (including interest rates, levels of economic activity, the price of securities and the participation by other investors in the financial markets); (iii) political conditions in international oil-producing regions; (iv) terrorist acts; (v) the extent of domestic production and importation of oil, natural gas, natural gas liquids or coal in certain relevant markets; (vi) the level of consumer demand; (vii) weather conditions; (viii) the competitive position of oil, natural gas, natural gas liquids or coal as a source of energy as compared with other energy sources; (ix) the refining capacity of oil, natural gas and natural gas liquids; (x) the effect of U.S. and non-U.S. governmental regulations, price controls and taxes, and environmental laws and regulations; (xi) the price of non-U.S. imports; (xii) interest rates; (xiii) the availability of pipeline capacity; (xiv) weather conditions; (xv) transportation interruption; and (xvi) a variety of other factors beyond the Sub-Fund's control. Any substantial and extended decline in the price of oil, natural gas or natural gas liquids would have an adverse effect on the revenues, profitability and cash flows from operations of the issuers of the Sub-Fund's portfolio investments in this sector.

Volatile oil, natural gas and natural gas liquids prices make it difficult to estimate the value of developed properties for acquisition and divestiture (and collateral purposes) and often cause disruption in the market for oil, natural gas and natural gas liquids developed properties, as buyers and sellers have difficulty agreeing on such value. Price volatility also makes it difficult to budget for and project the return on acquisitions and development and exploitation projects. In addition, estimates of hydrocarbon reserves by qualified engineers are often a key factor in valuing certain oil and gas assets. These estimates are subject to wide variances based on changes in commodity prices and certain technical assumptions. Accordingly, it is possible for such reserve estimates to be significantly revised from time to time, creating significant changes in the value of the Sub-Fund's portfolio investments.

Real Estate Investments

Real Estate Assets

The Sub-Fund is permitted to make investments for which real estate is a significant portion of the relevant Portfolio Company's or other issuer's asset base or value. Real estate values are affected by a number of factors, including changes in the general economic climate, local conditions (such as an oversupply of or a reduction in demand for real estate), the quality and philosophy of management, competition based on rental rates, attractiveness and location of the properties, financial condition of tenants, buyers and sellers or properties, quality of maintenance, insurance and management services and changes in operating costs. Real estate values are also affected by and sensitive to factors such as government regulations (including those governing usage, improvements, zoning and taxes), interest rate levels, the availability of financing and potential liability under changing environmental and other laws.

Real estate-related investments made by the Sub-Fund generally will be subject to the risks incident to the ownership and operation of real estate and real estate-related assets and/or risks incident to the making of non-recourse mortgage loans secured by real estate, including risks associated with both domestic and international general economic climates; local real estate conditions; risks due to dependence on cash flow; risks and operating problems arising out of the absence of certain construction materials; changes in supply of, or demand for, competing properties in an area (as a result, for instance, of overbuilding); the financial condition of tenants, buyers and sellers of properties; changes in availability of debt financing; energy and supply shortages; changes in the tax, real estate, environmental and zoning laws and regulations; various uninsured or uninsurable risks; natural disasters; and the ability of the Sub-Fund or third-party borrowers to manage the real properties. To the extent the Sub-Fund needs to foreclose on any loans secured by real estate assets, the Sub-Fund could, directly or indirectly, own such real estate and would, in such case, be directly subject to the risks incident to the ownership and operation of real, estate which include the paying of expenses and taxes, maintaining such property and any improvements thereon, and ultimately disposing of such property. In addition, an investment in real estate-related investments could subject the Shareholders to taxation and tax return filings with respect to such investment in the jurisdiction in which the relevant real estate is located. There is no assurance that there will be a ready market for resale of any real estate-related investments because investments in real estate generally are not liquid, which could limit the Sub-Fund's ability to react promptly to changes in economic or other market conditions; holding periods accordingly are difficult to predict, particularly as business plans could be revised to adapt to changing economic, business and financial conditions. Significant expenditures associated with real estate assets, such as mortgage payments, real estate taxes and maintenance costs, are generally not reduced when circumstances cause a reduction in income from

the underlying real estate assets. The Sub-Fund will need to comply with certain legal, tax and other requirements prior to liquidating such investments.

The Sub-Fund could engage in the financing of real estate assets on a passive basis, giving a third-party operating partner and/or property manager and/or joint venture partner a large degree of authority and responsibility for daily management of the assets and, in such circumstances will, in large part be dependent on the ability of third parties to successfully operate the underlying real estate assets. In addition, the Sub-Fund will in such circumstances be unable to exercise sole decision-making authority and will be subject to the risk that a joint venturer or partner or manager will act negligently or in a manner contrary to the Sub-Fund's best interests (*see* sub-section "*— Issuers and Issuer Management — Non-Controlling Investment Positions; Third-Party Involvement*" above).

Insurance coverage applicable to real estate assets typically contains policy specifications and insured limits customarily carried for similar properties, business activities and markets. There could be certain losses, including losses from floods and losses from earthquakes, acts of war, acts of terrorism or riots, that are not generally insured against or that are not generally fully insured against because it is not deemed to be economically feasible or prudent to do so. If an uninsured loss or a loss in excess of insured limits occurs with respect to a real estate asset in which the Sub-Fund has an interest, the Sub-Fund could experience a significant loss and could potentially remain obligated under any recourse debt associated with the property.

Under certain laws, ordinances and regulations, a current or previous owner, developer or operator of real estate could be liable for the costs of removal or remediation of certain hazardous or toxic substances at, on, under or in its property. The costs of removal or remediation of such substances could be substantial. Such laws often impose liability without regard to whether the owner or operator knew of, or was responsible for, the release or presence of such hazardous substances. The Sub-Fund will attempt to assess such risks as part of its due diligence activities in respect of any real estate-related investments including in respect to its exposure to such liabilities as the provider of financing in respect of such assets, but cannot give any assurance that such conditions do not exist or will not arise in the future. The presence of such substances on the real estate assets underlying the Sub-Fund's investments could adversely affect the value of such investments.

Risks of Holding Non-Performing Real Estate Loans and Participations

Real estate loans or participation interests therein originated or otherwise acquired by the Sub-Fund could be, at the time of their acquisition, or could become after acquisition, non-performing for a wide variety of reasons. Such non-performing real estate loans could require a substantial amount of workout negotiations and/or restructuring, which could entail, among other things, a substantial reduction in the interest rate and a substantial write down of the principal of such loans. However, even if a restructuring were successfully accomplished, a risk exists that upon maturity of such real estate loan, replacement "takeout" financing will not be available. Purchases of participations in real estate loans raise many of the same risks as investments in real estate loans and also carry risks of illiquidity and lack of control. As noted above, it is possible that the AIFM and the Investment Manager will find it necessary or desirable to foreclose on collateral securing one or more real estate loans held by the Sub-Fund. The foreclosure process varies jurisdiction by jurisdiction and can be lengthy and expensive. Borrowers often resist foreclosure actions by asserting numerous claims, counterclaims and defences against the holder of a real estate loan including, without limitation, lender liability claims and defences, even when such assertions have no basis in fact, in an effort to prolong the foreclosure action. In some jurisdictions, foreclosure actions can take up to several years or more to conclude. During the foreclosure proceedings, a borrower could have the ability to file for bankruptcy, potentially staying the foreclosure action and further delaying the foreclosure process. Foreclosure litigation tends to create a negative public image of the collateral property and could result in disrupting ongoing leasing and management of the property.

Investments in the Airline Industry

The Sub-Fund could make equity, debt or hybrid investments in companies and other issuers that acquire financial and/or hard assets relating to the airline industry. The airline industry is cyclical and highly competitive. Airlines and related companies could be affected by political or economic instability, terrorist activities, changes in national policy, competitive pressures on certain air carriers, fuel prices and shortages, labour stoppages, insurance costs, recessions, world health issues and other political or economic events adversely affecting world or regional trading. The airline industry is highly sensitive to

general economic trends, and any downturn in the global economy or in the relevant local economy could adversely affect results of operations and financial conditions. The airline industry is subject to significant regulation, including increasing environmental regulations that could lead to increased costs and affect profitability.

Investments in the Shipping Industry

The Sub-Fund could make equity, debt or hybrid investments in companies or other issuers that acquire financial and/or hard assets relating to the shipping industry, which are subject to, among others, the following risks, which could be uninsurable: (i) extensive and changing safety, environmental protection and other international, national, state and local governmental laws, regulations, treaties and conventions in force in international waters, the jurisdictional waters of the countries in which a shipping company's vessels operate, as well as the countries of such vessels' registration, compliance with which could require ship modifications and changes in operating procedure; (ii) risks associated with investments and force majeure risks (for example, international sanctions, embargoes, restrictions, nationalizations, and wars or acts of piracy or terrorist attacks and severe weather and natural disasters); (iii) labour-related risks; (iv) adverse changes in maintenance and other fixed costs and/or capital expenditure requirements; and (v) counterparty risks, including risks of adverse changes affecting chartering agreements from which a shipping company derives income.

Investments in Technology Industries and Technological Disruption

The Sub-Fund could, from time to time, make investments in Portfolio Companies and other issuers involved in the technology industry. Technology companies confront by various specific challenges, including rapidly changing market conditions and/or participants, new competing products, changing consumer preferences, short product life cycles, services and/or improvements in existing products or services. Any relevant issuer will compete in this volatile environment. Moreover, increasingly, companies that are not primarily involved in the technology industry are subject to disruption through accelerating changes in technology used in more traditional industries. There is no assurance that products or services sold by such issuers will not be rendered obsolete or adversely affected by competing products and services, or by companies providing or adopting disruptive technologies, or that these issuers will not be adversely affected by other challenges. Barriers to entry in the software and technology industries are low and new products and services can be distributed and adopted broadly and quickly at relatively low cost. Moreover, competition in the technology sector or the adoption of highly efficient new technologies can result in significant downward pressure on pricing. In the event that the technology sector as a whole declines, returns to Shareholders from any issuer, whether primarily involved in the technology industry or not, could decrease.

Dependence on Patents, Trademarks and Other Intellectual Property

Certain of the Sub-Fund's investments could depend heavily on intellectual property rights held by Portfolio Companies or other issuers in which the Sub-Fund invests, including patents, trademarks, trade secret protection, non-disclosure agreements and service marks. The ability to effectively enforce patent, trademark and other intellectual property laws will affect the value of many of these issuers. Patent disputes are frequent and can preclude commercialization of products, and patent litigation is costly and could subject an issuer to significant liabilities to third parties. The presence of patents or other proprietary rights belonging to other parties could lead to the termination of the research and development of an issuer's particular product.

Local Bank Licensing Requirements; Consumer Lending

The Sub-Fund will engage in originating, lending and/or servicing loans, and will therefore be subject to governmental and state regulation, borrower disclosure requirements, limits on fees and interest rates on some loans and other regulatory requirements in the conduct of its business. In particular, governments and/or regulators in Europe and other jurisdictions outside the United States in which the Sub-Fund invests could impose state lender licensing requirements that could restrict the Sub-Fund's ability to engage in originating, lending and/or servicing loans in the relevant jurisdictions without the Sub-Fund, the AIFM, the Investment Manager or their Affiliates being licensed in such jurisdictions.

The Sub-Fund could also be subject to consumer disclosures and substantive requirements on consumer loan terms and other regulatory requirements applicable to consumer lending. These regulatory programs are designed to protect borrowers. Regulators and other governmental entities have the authority to bring

administrative enforcement actions or litigation to enforce compliance with applicable lending or consumer protection laws, with remedies that can include fines and monetary penalties, restitution of borrowers, injunctions to conform to law, or limitation or revocation of licenses and other remedies and penalties. In addition, lenders and servicers could be subject to litigation brought by or on behalf of borrowers for violations of laws or unfair or deceptive practices. Failure to conform to applicable regulatory and legal requirements could be costly and have a detrimental impact on the Sub-Fund.

Capital Expenditures

Portfolio Companies in which the Sub-Fund invests could involve assets or businesses that require significant capital expenditure, including, but not limited to, in connection with completing, maintaining, developing and/or expanding existing plant, machinery and facilities, necessary software and other intellectual property assets or securing necessary regulatory agency license approvals and concessions and complying with related requirements. Such capital expenditures could exceed cash flow from operations and/or the amount of financing the Sub-Fund has provided or is willing to provide and the relevant Portfolio Company could need to secure additional capital through other means and sources, including selling assets or refinancing or restructuring its debt capital structure, which could involve securing additional debt financing that is senior to that held by the Sub-Fund and on more onerous terms than any existing senior financing. Sourcing of such capital could dilute or otherwise adversely impact the Sub-Fund's investment. Any delay or failure by the relevant Portfolio Company to secure such capital from other sources and to implement the necessary capital expenditures in whole or in part will also have an adverse impact on returns to the extent there is a delay or failure in its ability to achieve fully commissioned and/or cash-flowing status or to otherwise optimize its operational capabilities.

Derivatives

Generally, derivatives are financial contracts whose value depends on, or is derived from, the value of an underlying asset, reference rate or index, and can relate to individual debt or equity instruments, interest rates, currencies or currency exchange rates, commodities, related indices and other assets. The Sub-Fund is permitted to, directly or indirectly, use various derivative instruments including, but not limited to, options contracts, futures contracts, forward contracts, options on futures contracts, indexed securities and swap agreements for hedging and risk management purposes. The Sub-Fund is also permitted to use derivative instruments to approximate or achieve the economic equivalent of an otherwise permitted investment (as if the Sub-Fund directly invested in the loans, claims or securities of the subject issuer) or if such instruments are related to an otherwise permitted investment. The Sub-Fund's use of derivative instruments will involve investment risks and transaction costs to which the Sub-Fund would not be subject absent the use of these instruments and, accordingly, could result in losses greater than if they had not been used. The use of derivative instruments has risks including, among others, leverage risk, volatility risk, duration mismatch risk, correlation risk and counterparty risk. When used for hedging purposes, an imperfect or variable degree of correlation between price movements of the derivative instrument and the underlying investment sought to be hedged could prevent the Sub-Fund from achieving the intended hedging effect or expose the Sub-Fund to the risk of loss (*see* sub-section "— *Hedging*" below).

Derivative instruments, especially when traded in large amounts, could not be liquid in all circumstances, so that in volatile markets the Sub-Fund could be unable to close out a position without incurring a loss. In addition, daily limits on price fluctuations and speculative position limits on exchanges on which the Sub-Fund could conduct its transactions in derivative instruments could prevent prompt liquidation of positions, subjecting the Sub-Fund to the potential of greater losses. Derivative instruments that are purchased or sold by the Sub-Fund could include instruments not traded on an exchange. Derivative instruments not traded on exchanges are also not subject to the same type of government regulation as exchange-traded instruments, and many of the protections afforded to participants in a regulated environment could not be available in connection with such transactions. In addition, significant disparities could exist between "bid" and "asked" prices for derivative instruments that are not traded on an exchange. Additionally, when a company defaults or files for protection from creditors, the use of derivative instruments presents special risks associated with the potential imbalance between the derivatives market and the underlying securities market. In such a situation, physical certificates representing such securities could be required to be delivered to settle trades and the potential shortage of such actual certificates relative to the number of derivative instruments could cause the price of the actual certificated debt securities to rise, which could adversely affect the holder of such derivative instruments. The risk of non-performance by the counterparty on such an instrument could be greater and the ease with which the Sub-Fund can dispose of or enter into closing transactions with respect to such an instrument

could be less than in the case of an exchange-traded instrument. The stability and liquidity of derivative investments depend in large part on the creditworthiness of the parties to the transactions. If there is a default by the counterparty to such a transaction, the Sub-Fund will under most normal circumstances have contractual remedies pursuant to the agreements related to the transaction. However, exercising such contractual rights could involve delays or costs which could result in losses to the Sub-Fund. Furthermore, there is a risk that any of such counterparties could become insolvent (*see* sub-section "— *Counterparty Default*" below). It should be noted that in purchasing derivative instruments, the Sub-Fund typically will not have the right to vote on matters requiring a vote of holders of the underlying investment. Moreover, derivative instruments, and the terms relating to the purchase, sale or financing thereof, are also typically governed by complex legal agreements. As a result, there is a higher risk of dispute over interpretation or enforceability of the agreements. It should also be noted that the regulation of derivatives is evolving in many jurisdictions and is expected to increase, which could impact the Sub-Fund's ability to transact in such instruments and the liquidity of such instruments.

Counterparty Default

The stability and liquidity of repurchase agreements, swap transactions, forward transactions and other over-the-counter derivative transactions in which the Sub-Fund is permitted to engage in for hedging purposes depend in large part on the creditworthiness of the broker-dealers or other counterparties to the transactions. The Sub-Fund will monitor, on an ongoing basis, the creditworthiness of firms with which it will enter into repurchase agreements, interest rate swaps, caps, floors, collars or other over-the-counter derivatives (if any). If there is a default by the counterparty to such a transaction, the Sub-Fund will, under most normal circumstances, have contractual remedies pursuant to the agreements related to the transaction. However, exercising such contractual rights could involve delays or costs which could result in losses to the Sub-Fund. Furthermore, there is a risk that any of such counterparties could become insolvent and/or the subject of insolvency proceedings. If one or more of the counterparties were to become insolvent or the subject of insolvency proceedings, in the United States (either under the United States Investor Protection Act ("**SIPA**") or the Bankruptcy Code), or outside the United States under comparable legislation there exists the risk that the recovery of the Sub-Fund's securities and other assets from such counterparty will be delayed or be of a value less than the value of the securities or assets originally entrusted to such counterparty. Furthermore, in the event that any of the Sub-Fund's prime brokers (if any) rehypothecate the Sub-Fund's securities held with such prime broker and such prime broker becomes the subject of liquidation proceedings, only the Sub-Fund's "customer name securities" will be returned to it; the Sub-Fund will have a "net equity" claim for the remainder of its securities, which will be satisfied from the aggregate pool of remaining customer property held by such prime broker.

The Sub-Fund is permitted to use counterparties located in various jurisdictions. Such local counterparties usually are subject to laws and regulations in such jurisdictions that are designed to protect customers in the event of their insolvency. However, the practical effect of these laws and their application to the Sub-Fund's assets are subject to substantial limitations and uncertainties. Because of the range of possible factual scenarios involving the insolvency of a counterparty and the potentially large number of entities and jurisdictions that could be involved, it is impossible to generalize about the effect of such an insolvency on the Sub-Fund and its assets. Investors should assume that the insolvency of any such counterparty would result in significant delays in recovering the Sub-Fund's financial instruments from or the payment of claims therefor by such counterparty and a loss to the Sub-Fund, which could be material.

Repurchase Agreements and Reverse Repurchase Agreements

Subject to its investment objectives and policies and applicable law, the Sub-Fund may invest in repurchase agreements as a buyer for investment purposes. Repurchase agreements typically involve the acquisition by the Sub-Fund of debt securities from a selling financial institution such as a bank, savings and loan association or broker-dealer. The agreement provides that the Sub-Fund will sell the securities back to the institution at a fixed time in the future for the purchase price *plus* premium. The Sub-Fund does not bear the risk of a decline in the value of the underlying security unless the seller defaults under its repurchase obligation. In the event of the bankruptcy or other default of a seller of a repurchase agreement, the Sub-Fund could experience both delays in liquidating the underlying securities and losses, including (1) possible decline in the value of the underlying security during the period in which the Sub-Fund seeks to enforce its rights thereto; (2) possible lack of access to income on the underlying security during this period; and (3) expenses of enforcing its rights. In addition, as described above, the value of the collateral underlying the repurchase agreement will be at least equal to the repurchase price, including

any accrued interest earned on the repurchase agreement. In the event of a default or bankruptcy by a selling financial institution, the Sub-Fund generally will seek to liquidate such collateral. However, the exercise of the Sub-Fund's right to liquidate such collateral could involve certain costs or delays and, to the extent that proceeds from any sale upon a default of the obligation to repurchase were less than the repurchase price, the Sub-Fund could suffer a loss.

Subject to the investment objectives and policies of the Sub-Fund and applicable law, the Sub-Fund may invest in repurchase agreements as a seller, also knowns as a "reverse repurchase agreement." The Sub-Fund's use of reverse repurchase agreements involves many of the same risks involved in the Sub-Fund's use of leverage, as the proceeds from reverse repurchase agreements generally will be invested in additional securities. There is a risk that the market value of the securities acquired in the reverse repurchase agreement may decline below the price of the securities that the Sub-Fund has sold but remains obligated to repurchase. If the buyer of securities under a reverse repurchase agreement were to file for bankruptcy or experiences insolvency, the Sub-Fund may be adversely affected. Also, in entering into reverse repurchase agreements, the Sub-Fund would bear the risk of loss to the extent that the proceeds of the reverse repurchase agreement are less than the value of the underlying securities. In addition, due to the interest costs associated with reverse repurchase agreements transactions, the Net Asset Value of the Sub-Fund will decline, and, in some cases, the Sub-Fund may be worse off than if it had not used such instruments.

Investments in Securities Lending Agreements

Subject to applicable law, the Sub-Fund may from time to time make secured loans of its marginable securities to brokers, dealers and other financial institutions. The risks in lending portfolio securities, as with other extensions of credit, consist of possible delay in recovery of the securities or possible loss of rights in the collateral should the borrower fail financially. However, such loans will be made only to brokers and other financial institutions that are believed to be of high credit standing. Securities loans are made to broker-dealers pursuant to agreements requiring that loans be continuously secured by collateral consisting of U.S. government securities, cash or cash equivalents (e.g., negotiable certificates of deposit, bankers' acceptances or letters of credit) maintained on a daily mark-to-market basis in an amount at least equal at all times to the market value of the securities lent. The Sub-Fund will pay the borrower of the securities a fee based on the amount of the cash collateral posted in connection with the securities lending program. The borrower will pay to the Sub-Fund, as the lender, an amount equal to any dividends or interest received on the securities lent.

The Sub-Fund may invest the cash collateral received only in accordance with its investment objectives, subject to its agreement with the borrower of the securities. In the case of cash collateral, the Sub-Fund expects to pay a rebate to the borrower. The reinvestment of cash collateral will result in a form of effective leverage for the Sub-Fund.

Although voting rights or rights to consent with respect to the loaned securities pass to the borrower, the Sub-Fund, as the lender, will retain the right to call the loans and obtain the return of the securities loaned at any time on reasonable notice, and it will do so in order that the securities may be voted by the Sub-Fund if the holders of such securities are asked to vote upon or consent to matters materially affecting the investment. The Sub-Fund may also call such loans in order to sell the securities involved. When engaged in securities lending, the performance of the Sub-Fund will continue to reflect changes in the value of the securities loaned and will also reflect the receipt of interest through investment of cash collateral by the Sub-Fund.

Hedging

The Sub-Fund is permitted to (but is under no obligation to) enter into swaps (including credit default swaps), forward contracts and other arrangements and invest in exchange-traded funds to seek to preserve a return on a particular investment or to seek to protect against adverse movements in interest rates, debt prices and currency exchange rates and certain other risks. Such transactions have special risks associated with them, including the possible bankruptcy, insolvency or default by the counterparty to the transaction and the illiquidity of the instrument acquired by the Sub-Fund relating thereto. Although the Sub-Fund could benefit from the use of these hedging mechanisms, unanticipated changes in interest rates, debt prices or currency exchange rates, or other factors, could result in a poorer overall performance for the Sub-Fund, compared to what the Sub-Fund's performance would have been if it had not entered into Hedging Transactions, and the costs associated with these arrangements could reduce the returns that the

Sub-Fund would have otherwise achieved if these transactions were not entered into by the Sub-Fund. It is not possible to hedge fully or perfectly against currency fluctuations affecting the value of investments denominated in non-U.S. currencies because the value of those investments is likely to fluctuate as a result of independent factors not related to currency fluctuations. Similarly, Portfolio Companies and other issuers in which the Sub-Fund invests could also enter into Hedging Transactions in order to hedge risks applicable to them. Such transactions are subject to similar risks to those described above. The Sub-Fund could be exposed to such risks by reason of its investment in the relevant Portfolio Company or issuer, and there can be no assurance that any hedging strategies will be effective in protecting against currency exchange rate fluctuations or other risks. In addition, although such Hedging Transactions could hedge economic risks, they might not be effective hedges for tax purposes. For example, the tax character of the gain or loss on the Hedging Transaction could differ from the character of the loss or gain on the investment, or the timing or gain or loss for tax purposes could differ between the Hedging Transaction and the investment.

Investments by the Sub-Fund, and the income received by the Sub-Fund with respect to such investments, can be denominated in various currencies. However, the books of the Sub-Fund will be maintained, and capital contributions to and distributions from the Sub-Fund will be made, in U.S. dollars. Currency Hedging Transactions might result in positive or negative effects on returns (*see also* sub-section "— *Currency Risk*" above). In addition, the General Partner will engage in Hedging Transactions with respect to the Sub-Fund as it deems appropriate in accordance with this Memorandum and without taking into consideration any Hedging Transactions separately entered into by Shareholders, which could result in a Shareholder's own hedging activities being rendered ineffective or result in adverse or otherwise undesired effects with respect to a Shareholder's interest in the Sub-Fund.

Regulators in the United States and the European Union (the "**EU**") have implemented regulations imposing broad new regulatory requirements applicable to the OTC derivative markets that include, but are not limited to: requirements to execute liquid OTC derivatives (currently limited to specified interest rate swaps and index credit default swaps) on regulated exchanges or other trading facilities; requirements to clear certain liquid OTC derivatives through central counterparties; margin requirements for uncleared OTC derivatives; and data reporting requirements. These changes will likely significantly increase the costs to the Sub-Fund of utilizing OTC derivatives to enter into Hedging Transactions or to obtain synthetic investment exposures adversely affecting the Sub-Fund's ability to achieve its investment objective or mitigate risk.

Securities Financing Transactions Regulation Disclosure

If the Sub-Fund seeks to leverage its portfolio through investments in repurchase transactions, securities or commodities lending or securities or commodities borrowing, buy-sell back transactions or sell-buy back transactions and margin lending transactions (collectively, "**Securities Financing Transactions**") or total return swaps, the relevant investments could be comprised of loans or other assets which are consistent with the investment approach of the Sub-Fund. In such circumstances, the Sub-Fund will disclose the applicable range and maximum percentages of its assets under management in such transactions pursuant to applicable law, including Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) No 648/2012 (the "**Securities Financing Transactions Regulation**").

The Sub-Fund will only enter into such transactions with counterparties that have been through an analysis of capital and creditworthiness adopted by the AIFM and its Affiliates. The nature of the transaction, margin terms and legal constraints in posting and holding of collateral is overlaid in the analysis. Though not exhaustive, consideration is given to the capital base, legal status, country of origin, expertise, longevity in the industry and reputational strength of such counterparties.

The categories of collateral which could be received by the Sub-Fund in connection with such transactions include all types of investment instruments together with cash. Non-cash collateral could be issued by any issuers of such investment instruments and the collateral received could be of varying maturity and levels of liquidity. The management of collateral diversification and assessment of correlation between collateral is subject to the policies and procedures of the AIFM and its Affiliates. Collateral received by the Sub-Fund will be valued in accordance with the valuation methodology set out in accordance with the AIFM's written valuation policy in place from time to time. It is not currently anticipated that daily mark-to-market or daily variation margin will be used. If this position changes it will be disclosed to Shareholders as required by the Securities Financing Transactions Regulation.

Financial instruments subject to total return swaps and Securities Financing Transactions and collateral received by the Sub-Fund in respect of such transactions could be held by the Depositary or its delegate while assets posted as margin or otherwise transferred to a counterparty could be held by the relevant counterparty.

If the Sub-Fund receives collateral as a result of entering into total return swaps or Securities Financing Transactions, there is a risk that the collateral held by the Sub-Fund could decline in value or become illiquid. In addition, there can also be no assurance that the liquidation of any collateral provided to the Sub-Fund to secure a counterparty's obligations under a total return swap or Securities Financing Transaction would satisfy the counterparty's obligations in the event of a default by the counterparty. Where the Sub-Fund provides collateral as a result of entering into total return swaps or Securities Financing Transactions, it is exposed to the risk that the counterparty will be unable or unwilling to honour its obligations to return the collateral provided.

The Sub-Fund is permitted to provide certain of its assets as collateral to counterparties in connection with total return swaps and Securities Financing Transactions. If the Sub-Fund has over-collateralized (i.e., provided excess collateral to the counterparty) in respect of such transactions, it could be an unsecured creditor in respect of such excess collateral in the event of the counterparty's insolvency. If the Depositary or its delegate or a third party holds collateral on behalf of the Sub-Fund, the Sub-Fund could be an unsecured creditor in the event of the insolvency of such entity.

There are legal risks involved in entering into total return swaps or Securities Financing Transactions which could result in loss due to the unexpected application of a law or regulation or because contracts are not legally enforceable or documented correctly.

Subject to any regulatory restrictions on the reuse of collateral, the Sub-Fund is permitted to re-invest cash collateral that it receives. If cash collateral received by the Sub-Fund is re-invested, the Sub-Fund is exposed to the risk of loss on that investment. Should such a loss occur, the value of the collateral will be reduced and the Sub-Fund will have less protection if the counterparty defaults. The risks associated with the re-investment of cash collateral are substantially the same as the risks which apply to the other investments of the Sub-Fund.

Direct and indirect operational costs and fees arising from total return swaps or Securities Financing Transactions could be deducted from the revenue delivered to the Sub-Fund (e.g., as a result of revenue sharing arrangements). The entities to which direct and indirect costs and fees could be paid include banks, investment firms, broker-dealers, securities lending agents or other financial institutions or intermediaries and can be related parties to KKR or the Depositary.

Credit Default Swaps

The Sub-Fund is permitted to invest in credit default swaps for hedging and investment purposes. A credit default swap is a contract between two parties which transfers the risk of loss if a company or other issuer fails to pay principal or interest on time or files for bankruptcy. In essence, an institution which owns corporate debt instruments can purchase a limited form of default protection by entering into a credit default swap with another bank, broker-dealer or financial intermediary. Upon an event of default, the swap can be terminated either: (i) by the purchaser of credit protection delivering the referenced instrument to the swap counterparty and receiving a payment of par value (the more common scenario); or (ii) by the parties pairing off payments, with the purchaser of the protection receiving a payment equal to the par value of the reference security, less the price at which the reference security trades subsequent to default.

In the manner described above, credit default swaps can be used to hedge a portion of the default risk on a single corporate bond or a portfolio of bonds. In particular, the Sub-Fund could purchase credit default protection even in a case in which it does not own the referenced instrument if, in the judgment of the AIFM or the General Partner, there is a high likelihood of credit deterioration.

The credit default swap market in high-yield securities is comparatively new and rapidly evolving compared to the credit default swap market for more seasoned and liquid investment grade securities. Swap transactions dependent upon credit events are priced incorporating many variables, including the pricing and volatility of the common stock, potential loss upon default and the shape of the U.S. Treasury yield curve, among other factors. As such, there are many factors upon which market participants could have divergent views. The Sub-Fund also could enter into credit default swap transactions, even if the

credit outlook is positive, if the AIFM or the General Partner believes that participants in the marketplace have incorrectly valued the components which determine the value of a swap.

EU Risk Retention Rules

The AIFM and/or the Sub-Fund may be subject to EU risk retention and due diligence requirements insofar as the Sub-Fund invests in securitizations. Risk retention and due diligence requirements (the "**EU Risk Retention Rules**") apply under EU legislation in respect of various types of investors, including credit institutions, investment firms, authorised alternative investment fund managers and insurance and reinsurance undertakings (together, "**Affected Investors**"). Amongst other things, such requirements restrict an investor who is subject to the EU Risk Retention Rules from investing in securitizations issued on or after January 1, 2011 (or securitizations issued before that date to which new underlying exposures are added or substituted after December 31, 2014) (together, "**Affected Securitizations**"), unless: (i) the originator, sponsor or original lender in respect of the relevant securitization (the "**Risk Retention Holder**") has explicitly disclosed that it will retain, on an ongoing basis, a net economic interest of not less than 5% in respect of certain specified credit risk tranches or securitized exposures; and (ii) the investor is able to demonstrate that it has undertaken certain due diligence in respect of various matters including but not limited to (a) its note position, (b) the underlying assets, and (c) (in the case of certain types of investors) the relevant sponsor or originator. Risk Retention Holders must hold the retained net economic interest throughout the life of the securitization, and cannot enter into any arrangement designed to mitigate the credit risk in relation thereto. Failure to comply with one or more of these requirements could result in various penalties including, in the case of those investors subject to regulatory capital requirements, the imposition of a punitive capital charge. Investors are responsible for analysing their own regulatory position, and are encouraged to consult with their own investment and legal advisors regarding applicable legal, regulatory, prudential capital or other requirements and the suitability of the Sub-Fund for investment.

Investments by the Sub-Fund which involve the tranching of credit risk associated with an exposure or pool of exposures are likely to be treated as "securitizations" under the EU Risk Retention Rules. If such investments involve Affected Investors, the sponsor or originator of the transaction (which could be the AIFM, the Sub-Fund or their subsidiaries) could be required to act as the Risk Retention Holder. This could increase the costs of such investments for the Sub-Fund and, where it acts as the Risk Retention Holder, reduce the Sub-Fund's liquidity and prevent the Sub-Fund from entering into any credit risk mitigation in respect of such investments.

The EU Risk Retention Rules have been replaced by those contained in Regulation (EU) 2017/2402 of the European Parliament and of the Council of 12 December 2017 (the "**Securitization Regulation**"). The Securitization Regulation applies from January 1, 2019 (subject to certain transitional provisions regarding securitizations the securities of which were issued before January 1, 2019). Investors should be aware that there are material differences between the EU Risk Retention Rules and the Securitization Regulation. For example, the Securitization Regulation imposes a direct retention obligation on sponsors and originators of securitizations. Failure by the sponsor or originator to comply with this retention obligation could result in criminal sanctions and fines of up to 10% of total annual turnover (calculated on a consolidated basis). Moreover, the Securitization Regulation expands on the types of Affected Investor to which the due diligence requirements apply. The Securitization Regulation does not explicitly provide for sanctions for failure by an Affected Investor to comply with the due diligence requirements, although sanctions or other adverse implications could apply under the relevant sectoral EU legislation governing the Affected Investor (such as the AIFMD, in the case of the AIFM). Prospective investors should be aware that the range of investment strategies and investments that the Sub-Fund is able to pursue could be limited by the Securitization Regulation, and that there could be other adverse consequences for the Shareholders and their capital investments in the Sub-Fund as a result of changes to the EU risk retention and due diligence requirements that have been introduced through the Securitization Regulation.

Prospective investors belonging to any category of Affected Investor should consult with their own legal, accounting, regulatory and other advisors and/or regulators to determine whether, and to what extent, the information set out in this Memorandum and in any investor report provided in relation to this offering is sufficient for the purpose of satisfying their obligations under the EU Risk Retention Rules, and such investors are required to independently assess and determine the sufficiency of such information. Prospective investors are themselves also responsible for monitoring and assessing changes to the EU Risk Retention Rules, and any regulatory capital requirements applicable to the investor, including any such changes introduced through the Securitization Regulation.

European Market Infrastructure Regulation

The Sub-Fund is permitted to enter into OTC derivative contracts for hedging purposes subject to compliance with the European Market Infrastructure Regulation, as amended, and any delegated or implementing regulations related thereto (the "**EMIR Framework**"). The EMIR Framework establishes certain requirements for counterparties concluding OTC derivatives contracts, including reporting requirements, bilateral risk management requirements, but subject to certain conditions, mandatory clearing requirements for certain classes of OTC derivatives and a margin posting obligation for OTC derivatives contracts not subject to clearing.

The EMIR Framework was amended as part of the European Commission's REFIT programme pursuant to Regulation (EU) No 2019/834 of the European Parliament and of the Council of 20 May 2019 ("**EMIR REFIT**"), which entered into force on May 28, 2019 and applied from June 17, 2019. EMIR REFIT introduced or amended certain key obligations relating to clearing, reporting and risk-mitigation (margining). Although EMIR REFIT allows for certain financial counterparties (so called "small financial counterparties") to be exempted from the clearing obligation, there can be no assurance as to whether the Sub-Fund will be able to benefit from that exemption. From June 18, 2020, EMIR REFIT also requires financial counterparties to report transactions concluded with certain non-financial counterparties (i.e. non-financial counterparties that do not exceed certain thresholds) on behalf of such non-financial counterparties (unless requested otherwise by the latter counterparties). This could also increase costs incurred by the Sub-Fund.

The potential implications of the EMIR Framework (as amended by EMIR REFIT) for the Sub-Fund include, without limitation, the following:

- clearing obligation: certain standardized OTC derivative transactions are subject to mandatory clearing through a central counterparty (a "**CCP**"), *provided that* the counterparty of the Sub-Fund is also subject to the clearing obligation. Clearing derivatives through a CCP could result in additional costs and could be on less favourable terms than would be the case if such derivative was not required to be centrally cleared;
- risk mitigation techniques: for those of its OTC derivatives which are not subject to central clearing, the Sub-Fund will be required to put in place risk mitigation requirements, which could include, amongst others and subject to certain conditions, the collateralization of such uncleared OTC derivatives. These risk mitigation requirements could increase the cost of the Sub-Fund pursuing its hedging strategy;
- reporting obligations: each of the Sub-Fund's OTC derivative transactions must be reported to a trade repository, registered or recognised under the EMIR Framework or where such a trade repository is not available to record the details of OTC derivative transactions, to the European Securities and Markets Authority. This reporting obligation could increase the costs to the Sub-Fund of utilizing OTC derivatives; and
- sanctions: there exists a risk that sanctions could be imposed by the Central Bank of Ireland on the AIFM and/or by the CSSF on the Sub-Fund, in each case for non-compliance with the EMIR Framework obligations.

Market, Economic and Political Risks

The Sub-Fund and the Portfolio Companies and other issuers in which it invests could be materially affected by market, economic and political conditions globally and in the jurisdictions and sectors in which they invest or operate, including economic outlook, factors affecting interest rates, the availability of credit, currency exchange rates and trade barriers. These factors are outside the AIFM's and the General Partner's control and could adversely affect the liquidity and value of the Sub-Fund's investments and could reduce the ability of the Sub-Fund to make attractive new investments. Difficult market and economic conditions could adversely affect the Sub-Fund by reducing the value or performance of its investments or by reducing its ability to raise or deploy capital or obtain appropriate financing, each of which could negatively impact returns to investors.

Populist and anti-globalization movements, particularly in Europe and the United States, could result in material changes in economic, trade, climate change and immigration policies, all of which could lead to significant disruption of global markets and could have materially adverse consequences on the investments of the Sub-Fund, including in particular on Portfolio Companies and other issuers whose operations are directly or indirectly dependent on international trade. Any significant changes in, among

other things, economic policy (including with respect to interest rates and foreign trade), the regulation of the asset management industry, tax law, immigration policy, environmental protection and/or climate change policies or regulations and/or government entitlement programs during the term of the Sub-Fund could have a material adverse impact on the Sub-Fund and its investments.

More generally, legislative acts, rulemaking, adjudicatory or other activities, including by governmental, quasi-governmental or self-regulatory bodies, agencies and regulatory organizations could make it more difficult (or less attractive) for the Sub-Fund to achieve its investment objectives or for some or all of the Sub-Fund's Portfolio Companies and other issuers in which it invests to engage in their respective businesses. The Sub-Fund's investment strategy and the availability of opportunities satisfying the Sub-Fund's risk-adjusted return parameters relies in part on the continuation of certain trends and conditions observed in the market for originated debt and bond markets as well as the larger financial markets and, in some cases, the improvement of such conditions. No assurance can be given that such conditions, trends or opportunities will arise or continue, as applicable. Trends and historical events do not imply, forecast or predict future events and, in any event, past performance is not necessarily indicative of future results. There can be no assurance that the assumptions made, or the beliefs and expectations currently held, by the AIFM or the Investment Manager will prove correct and actual events and circumstances could vary significantly. In particular, the Sub-Fund's investment strategy relies, in part, on the current stability of the conditions in the global economy and markets generally and credit markets specifically. Any instability in the global economy and markets could result in the Sub-Fund's investments not generating expected current proceeds or failing to appreciate as anticipated and the investments could suffer losses.

General fluctuations in the market prices of debt investments and interest rates could have a substantial negative impact on the Sub-Fund's investments and investment opportunities and accordingly could have a material adverse effect on the Sub-Fund's investment objectives and the rate of return on invested capital. Instability in the debt markets, such as that experienced during the global financial crisis, would likely also increase the risks inherent in the Sub-Fund's investments. The ability of Portfolio Companies and other issuers in which the Sub-Fund invests to refinance debt obligations and for the Sub-Fund to realize on its investments will in part depend on the condition of public or private financing markets at the time of the proposed refinancing or other transaction. Moreover, to the extent the Sub-Fund utilizes third-party financing to make investments on a leveraged basis, a decrease in the value of the Sub-Fund's investments would increase the effective amount of leverage and could result in the possibility of a "margin call" by lenders, pursuant to which the Sub-Fund must either deposit additional funds or collateral with the lender, which would require the Shareholders to make additional capital contributions in respect of such leverage, or suffer mandatory liquidation of the pledged debt obligations to compensate for the decline in value (*see* sub-section "— *Sub-Fund Leverage and Borrowing*" above).

General Risks of Investments Outside of More Developed Economies

The Sub-Fund could, from time to time, make investments in less developed or developing countries, including countries in Eastern Europe. Investments outside of more developed countries, such as those of Europe (defined as including member states of the EEA, the UK and Switzerland), involve certain factors not typically associated with investing in those countries, including risks relating to: (i) differences arising from less developed securities markets, including potential price volatility in, and relative illiquidity of, some such securities markets; (ii) the absence of uniform accounting, auditing and financial reporting standards, practices and disclosure requirements; (iii) less government supervision and regulation in some countries, which could result in lower-quality information being available and less developed corporate laws regarding fiduciary duties and the protection of investors, less developed bankruptcy laws and difficulty in enforcing contractual obligations; (iv) certain economic and political risks, including potential economic, political or social instability, exchange control regulations, restrictions on foreign investment and repatriation of capital (possibly requiring government approval), expropriation or confiscatory taxation and higher rates of inflation and reliance on a more limited number of commodity inputs, service providers and/or distribution mechanisms; (v) potentially material and unpredictable governmental influence on the national and local economies; (vi) fewer or less attractive financing and structuring alternatives and exit strategies; and (vii) the possible imposition of local taxes on income and gains recognised with respect to investments. There can be no assurance that adverse developments with respect to such risks will not adversely affect the securities or assets of the Sub-Fund that are held, directly or indirectly, in certain countries.

Underlying Exposure to the Consumer Market

A portion of the Sub-Fund's portfolio could be directly or indirectly exposed to the consumer market. The financial condition of consumers is difficult to assess and predict as many consumer borrowers have no or very limited credit history. There is a greater risk of default in relation to the consumer market which could directly have an impact on returns to the Sub-Fund.

Eurozone Risks

The Sub-Fund is permitted to invest in European companies and companies that have operations that are affected by the Eurozone economy. Risks remain around the growth of the Eurozone and the possibility that the Eurozone could return to a recessionary environment, though this is not our base case. In the event of a severe downturn, concerns may re-emerge regarding default of certain participating member states of the EU, that certain member states of the EU may cease to use the euro as their national currency, that one or more member states may seek to withdraw from EU membership, or even the collapse of the Eurozone as it is constituted today, and would likely have an adverse impact on the European and global economy and, consequently, on the Sub-Fund.

Changes Resulting from the United Kingdom's Exit from the European Union

The UK withdrew from the EU and the EEA on January 31, 2020 ("**Brexit**"). Following withdrawal from the EU, the UK entered a transition period lasting until December 31, 2020, during which EU law continued to apply in the UK. New EU legislation that took effect before the end of the transition period also applies to the UK. The UK and the EU have subsequently agreed to a framework for trading arrangements for the period following the transition period. Under the agreed arrangements, UK goods will continue to have tariff-free access to the EU but other barriers will apply. It is difficult to predict what the economic, tax, fiscal, legal, regulatory and other implications will be for the asset management industry, the broader European and global financial markets generally and for private funds and their investments such as the Sub-Fund and the Sub-Fund's portfolio investments. This uncertainty will continue to impact the global economic climate and could impact opportunities, pricing, availability and cost of bank financing, regulation, values or exit opportunities of companies or assets based, doing business or having service or other significant relationships in, the UK or the EU, including companies or assets held or considered for prospective portfolio investment by the Sub-Fund.

The future application of EU-based legislation to the private fund industry in the UK will depend on the agreed future relationship and the actions of the UK government. Any re-negotiated terms or amended laws and regulations could have an adverse impact on the Sub-Fund and its portfolio investments, including the ability of the Sub-Fund to achieve its investment objectives. Brexit could result in significant market dislocation, heightened counterparty risk, an adverse effect on the management of market risk and, in particular, asset and liability management due in part to redenomination of financial assets and liabilities, and increased legal, regulatory or compliance burden for investors, the General Partner, the AIFM, the Investment Manager and/or the Sub-Fund, each of which could have a negative impact on the operations, financial condition, returns or prospects of the Sub-Fund.

Brexit could have an adverse effect on the tax treatment of the Sub-Fund and its portfolio investments, in particular where reliance might have been placed on a UK entity's status as being in an EU member state for the purposes of determining eligibility for benefits of another entity under a double tax treaty. There could also be an adverse effect on the tax treatment of the Sub-Fund and its portfolio investments. In particular, EU directives preventing withholding taxes being imposed on intra-group dividends, interest and royalties will no longer apply to payments made into and out of the UK, meaning that instead the UK's double tax treaty network will in relevant cases need to be relied upon. Further, changes to the operation of VAT could impact the Sub-Fund and its investments under certain circumstances.

While the most immediate impacts on corporate transactions will likely be related to changes in market conditions, the development of new regulatory regimes and parallel competition law enforcement could have an adverse impact on transactions, particularly those occurring in, or impacted by conditions in, the UK and elsewhere in Europe.

Russian Invasion of Ukraine

On February 24, 2022, Russian troops began a full-scale invasion of Ukraine, representing the largest mobilization since 2014, and, as of the date hereof, the countries remain in active armed conflict. Since the invasion, the United States, the United Kingdom, the European Union and several other nations have imposed a broad array of new or expanded sanctions, export controls and other measures in response to Russia's actions against Russia and certain entities and individuals. The ongoing conflict and the

continued evolving measures in response have had and are expected to continue to have a negative impact on the economy and business activity globally, and therefore could adversely affect the performance of the Sub-Fund's investments. Additionally, to the extent that portfolio investments, related customer bases, service providers or certain other parties with which the Sub-Fund interacts have material operations or assets in Russia, Ukraine, Belarus or the immediately surrounding areas, they may suffer adverse consequences related to the ongoing conflict, which in turn would be expected to adversely affect the Sub-Fund and its returns.

Recent Developments in the Banking Sector

In early 2023, bank closures in the U.S. and Europe caused uncertainty for financial services companies—especially in the banking sector, and U.S. middle market banks in particular—and fear of instability in the global financial system generally. Many financial institutions experienced volatile stock prices and significant losses in their equity value, and there is concern that depositors have withdrawn, or could withdraw in the future, significant sums from their accounts at these institutions (each, a "**Distress Event**"). As a result, U.S. governmental agencies (including the U.S. Federal Deposit Insurance Corporation (the "**FDIC**") and the U.S. Federal Reserve Bank) intervened directly and indirectly to protect the uninsured depositors of banks that have recently closed or who have experienced a significant Distress Event. Simultaneously, as a result of depositary outflows and other existential issues, the Swiss Financial Market Supervisory Authority intervened in the collapse of Credit Suisse, one of the global systemically important banks, brokering its partial sale to UBS. There is a risk that other financial institutions could undergo Distress Events as a result of contagion disconnected from market fundamentals or for other reasons, and it is unclear what steps regulators would take, if any, in the event of further bank closures or continuing (or increasing) market distress.

Banks and other financial institutions, including those that could undergo Distress Events could provide credit facilities and/or other forms of financing to the Sub-Fund or its Portfolio Companies. There can be no assurance that such financial institutions will honour their obligations as creditors or that another financial institution would be willing and able to provide replacement financing or similar capabilities and on similar terms.

If a financial institution closes, whether as a result of a Distress Event or otherwise, there is no guarantee that its uninsured depositors, which could include the Sub-Fund and/or its Portfolio Companies, will be made whole or, even if made whole, that such deposits will become available for withdrawal in short order. Pursuant to statute, U.S. bank accounts are insured by the FDIC in an amount up to $250,000. While the U.S. government has considered raising that limit, there can be no guarantee that such limit will be increased. As a consequence, for example, if a Distress Event occurs, the Sub-Fund or Portfolio Companies could be delayed or prevented from accessing a portion or all of their bank accounts or making required payments under their debt or other contractual obligations. Limited Partners could be impacted in their ability to honour capital calls and/or receive distributions for related reasons.

Distress Events could have a potentially adverse effect on the ability of the General Partner to manage the Sub-Fund and its investments, and on the ability of the General Partner, the Sub-Fund and any Portfolio Company to maintain operations, which in each case could result in significant losses and in unconsummated investment acquisitions and dispositions. Such losses could include: a loss of funds; an obligation to pay fees and expenses in the event the Sub-Fund is not able to close a transaction (whether due to the inability to draw capital on a credit line provided by a financial institution experiencing a Distress Event, the inability of the Sub-Fund to access capital contributions or otherwise); the inability of the Sub-Fund to acquire or dispose of investments, or acquire or dispose of such investments at prices that the General Partner believes reflect the fair value of such investments; and the inability of Portfolio Companies to make payroll, fulfil obligations or maintain operations. If a Distress Event leads to a loss of access to a financial institution's services, it is also possible that the Sub-Fund or a Portfolio Company will incur additional expenses or delays in putting in place alternative arrangements or that such alternative arrangements will be less favourable than those formerly in place (with respect to economic terms, service levels, access to capital, or otherwise). Although the General Partner expects to exercise contractual remedies under agreements with financial institutions in the event of a Distress Event, there can be no assurance that such remedies will be successful or avoid losses or delays. The Sub-Fund and its Portfolio Companies are subject to similar risks if any financial institution utilized by investors in the Sub-Fund or by suppliers, vendors, service providers or other counterparties of the Sub-Fund or a Portfolio Company becomes subject to a Distress Event, which could have a material adverse effect on the Sub-Fund.

Many financial institutions require, as a condition to using their services (including lending services), that the General Partner and/or the Sub-Fund maintain all or a set amount or percentage of their respective accounts or assets with the financial institution, which heightens the risks associated with a Distress Event with respect to such financial institutions. Although the General Partner seeks to do business with financial institutions that it believes are creditworthy and capable of fulfilling their respective obligations to the Sub-Fund, the General Partner is under no obligation to use a minimum number of financial institutions with respect to the Sub-Fund or to maintain account balances at or below the relevant insured amounts.

Uncertainty caused by recent bank failures—and general concern regarding the financial health and outlook for other financial institutions—could have an overall negative effect on banking systems and financial markets generally. The recent developments could also have other implications for broader economic and monetary policy, including interest rate policy. For the foregoing reasons, there can be no assurances that conditions in the banking sector and in global financial markets will not worsen and/or adversely affect the Sub-Fund or one or more of its portfolio investments or its overall performance.

Artificial Intelligence and Machine Learning Developments

Recent technological advances in artificial intelligence and machine learning technology (collectively, "**Machine Learning Technology**"), including OpenAI's release of its ChatGPT application, pose risks to KKR, the Sub-Fund and the Sub-Fund's Portfolio Companies. While KKR could utilize Machine Learning Technology in connection with its business activities, including investment activities, KKR continues to evaluate and adjust internal policies governing use of Machine Learning Technology by its personnel. Notwithstanding any such policies, KKR Personnel, Senior Advisors, Executive Advisors, Industry Advisors, Capstone Executives and other associated persons of the KKR Group or any KKR Affiliates could, unbeknownst to KKR, utilize Machine Learning Technology in contravention of such policies. KKR, the Sub-Fund and the Sub-Fund's Portfolio Companies could be further exposed to the risks of Machine Learning Technology if third-party service providers or any counterparties, whether or not known to KKR, also use Machine Learning Technology in their business activities. KKR will not be in the position to control the manner in which third-party products are developed or maintained or the manner in which third-party services are provided.

Use of Machine Learning Technology by any of the parties described in the previous paragraph could include the input of confidential information (including material non-public information)—either by third parties in contravention of non-disclosure agreements, or by KKR Personnel or the aforementioned KKR advisors and affiliates in contravention of KKR's policies—into Machine Learning Technology applications, resulting in such confidential information becoming part of a dataset that is accessible by other third-party Machine Learning Technology applications and users. For more information on risks relating to information security *see also* "*— Cybersecurity Risks including Business Disruption and Information Security Risks*" below.

Independent of its context of use, Machine Learning Technology is generally highly reliant on the collection and analysis of large amounts of data, and it is not possible or practicable to incorporate all relevant data into the model that Machine Learning Technology utilizes to operate. Certain data in such models will inevitably contain a degree of inaccuracy and error – potentially materially so – and could otherwise be inadequate or flawed, which would be likely to degrade the effectiveness of Machine Learning Technology. To the extent that KKR, the Sub-Fund or the Sub-Fund's Portfolio Companies are exposed to the risks of Machine Learning Technology use, any such inaccuracies or errors could have adverse impacts on KKR, the Sub-Fund or the Sub-Fund's Portfolio Companies.

Machine Learning Technology and its applications, including in the private investment and financial sectors, continue to develop rapidly, and it is impossible to predict the future risks that may arise from such developments.

Certain Risks Related to Investing in the Asia-Pacific Region

The Sub-Fund is permitted to make investments in the Asia-Pacific region. The economies of many Asia-Pacific countries are heavily dependent upon international trade and, accordingly, could be materially and adversely affected by protective trade barriers, exchange controls, managed adjustments in relative currency values and the economic conditions in the countries with which they trade. A slowdown in the economies of the United States and Europe is also likely to adversely affect economic growth in certain Asia-Pacific countries which, to varying degrees, depend on exports to those economies. In addition, the

economies of certain Asia-Pacific countries are vulnerable to weaknesses in world prices for their commodity exports or fluctuations of worldwide commodity prices. Certain Asia-Pacific countries have from time to time experienced high rates of inflation and have extensive external debt.

In addition, the securities markets of most Asia-Pacific countries are generally smaller and less liquid than the major securities markets in the United States. Downturns in the Asia-Pacific economies are likely to seriously affect the securities markets in such economies, which could impede or prevent the Sub-Fund from successfully exiting from its investments. A high proportion of the shares of many companies in the Asia-Pacific are held by a limited number of persons. A limited number of issuers in most, if not all, securities markets in Asia represents a disproportionately large percentage of market capitalization and trading value. Such limited liquidity of securities markets could affect the Sub-Fund's ability to acquire or dispose of securities at the price and time it wishes to do so. Furthermore, there could be a lower level of monitoring and regulation of the markets and the activities of investors in such markets, and enforcement of existing regulations could be extremely limited. Consequently, should the Sub-Fund make investments through the public markets in the Asia-Pacific, the prices at which the Sub-Fund acquires investments could be affected by other market participants' anticipation of the Sub-Fund's investments, by trading by persons with material non-public information and by securities transactions by brokers in anticipation of transactions by the Sub-Fund in particular securities.

Syndication of Co-Investments

From time to time, the Sub-Fund may make an investment with the expectation of offering a portion of its interests therein as a co-investment opportunity to third-party investors. There can be no assurance that the Sub-Fund will be successful in syndicating any such co-investment, in whole or in part, that the closing of such co-investment will be consummated in a timely manner, that any syndication will take place on terms and conditions that will be preferable for the Sub-Fund or that expenses incurred by the Sub-Fund with respect to any such syndication will not be substantial. In the event that the Sub-Fund is not successful in syndicating any such co-investment, in whole or in part, the Sub-Fund may consequently hold a greater concentration and have more exposure in the related investment than initially was intended, which could make the Sub-Fund more susceptible to fluctuations in value resulting from adverse economic and/or business conditions with respect thereto. Moreover, an investment by the Sub-Fund that is not syndicated to co-investors as originally anticipated could significantly reduce the Sub-Fund's overall investment returns.

Shares; Dispositions and Distributions

No Market for the Shares; Restrictions on Transferability

Shares in the Sub-Fund have not been registered under the U.S. Securities Act of 1933, as amended (the "**1933 Act**"), the securities laws of any state of the United States or the securities laws of any other jurisdiction (with the exception of the marketing passports the AIFM may utilize under the provisions of the AIFMD for the purpose of marketing interests to professional investors within the EEA) and cannot be resold unless they are subsequently registered under the 1933 Act and other applicable securities laws or an exemption from registration is available. It is not contemplated that the Shares will ever be registered under the 1933 Act or other securities laws. There is no public market for the Shares, and none is expected to develop. Accordingly, there are no quoted prices for the Shares. Each Shareholder will be required to represent that it is a qualified investor under applicable securities laws and that it is acquiring its Shares for investment purposes and not with a view to resale or distribution and that it will only sell and transfer its Shares to a qualified investor under applicable securities laws or in a manner permitted by the Articles, this Memorandum and consistent with such laws. A Shareholder will not be permitted to assign, sell, exchange or transfer any of its interest, rights or obligations with respect to its Shares, except by operation of law, without the prior written consent of the General Partner and redemptions of Shares are subject to potentially material limitations depending on the circumstances as described in this Memorandum. Shareholders must be prepared to bear the risks of owning Shares for an extended period of time.

Valuations

The Sub-Fund will rely on the AIFM and its affiliates for valuation of its assets and liabilities, which valuations will be determined in accordance with the AIFM's written valuation policy in place from time to time. The Sub-Fund will primarily hold securities and other assets that will not have readily assessable market values. In such instances, the AIFM will determine the fair value of such securities and assets in

its reasonable judgment based on various factors and can rely on internal pricing models, all in accordance with the AIFM's valuation policies and procedures. Certain factors that may be considered in determining the fair value of the Sub-Fund's portfolio investments include dealer quotes for securities traded on the secondary market for institutional investors, the nature and realizable value of any collateral, the Portfolio Company's earnings and its ability to make payments on its indebtedness, the markets in which the Portfolio Company does business, comparison to comparable publicly traded companies, discounted cash flows and other relevant factors. Such valuations could vary from similar valuations performed by independent third parties for similar types of securities or assets. The value of the Sub-Fund's portfolio could also be affected by changes in accounting standards, policies or practices as well as general economic, political, regulatory and market conditions and the actual operations of the issuers of portfolio investments, which are not predictable and can have a material impact on the reliability and accuracy of such valuations. The valuation of illiquid securities and other assets is inherently subjective and subject to increased risk that the information utilized to value such assets or to create the price models could be inaccurate or subject to other error. Due to a wide variety of market factors and the nature of certain securities and assets to be held by the Sub-Fund, there is no guarantee that the value determined by the AIFM will represent the value that will be realized by the Sub-Fund on the eventual realization of the investment or that would, in fact, be realized upon an immediate realization of the investments. The Sub-Fund's fair value determinations may cause its Net Asset Value on a given date to materially understate or overstate the value that it may ultimately realize upon the sale of one or more of its portfolio investments.

The amount of Management Fees and Incentive Fees received by the AIFM and the Investment Manager, respectively, with respect to the Sub-Fund will depend on the value of the Sub-Fund's assets and liabilities. If the valuations made by the AIFM are incorrect, the amount of such fees could also be incorrect and in particular could be higher than the fair value of the Sub-Fund's assets may warrant (*see* Section XIII, "*Potential Conflicts of Interest*" of this Memorandum). In addition, the AIFM regularly reports to investors and prospective investors certain metrics of the AIFM's funds' performance, such as rates of return and multiples of money, the calculation of which depends on the value of such funds' investments, including unrealized investments, and involves uncertainties and subjective determinations.

The AIFM and its affiliates will value portfolio investments of the Sub-Fund that are not publicly traded or actively traded on a secondary market at least quarterly at fair value as determined in good faith. In connection with striking a Net Asset Value as of the last day of a month that is not also the last day of a calendar quarter, the Sub-Fund will consider whether there has been a material change to such investments as to affect their fair value, but such analysis will be more limited than the quarter-end process. *See* Section VII, "*Determination of Net Asset Value*" of this Memorandum.

Investors purchasing the Sub-Fund's Shares based on an overstated Net Asset Value would pay a higher price than the value of the Sub-Fund's portfolio investments might warrant. Conversely, investors selling or redeeming Shares during a period in which the Net Asset Value understates the value of the Sub-Fund's portfolio investments will receive a lower price for their Shares than the value of the Sub-Fund's portfolio investments might warrant.

In addition, investors will not know the then-current Net Asset Value applicable on the effective date of the Share purchase and investors will not know the exact price of Shares being redeemed by the investor until after the applicable Redemption Day, which may result in an investor receiving shares based on an Net Asset Value less than, or redeeming Shares based on a Net Asset Value greater than, the Net Asset Value per Share available at the time the relevant investor submitted its subscription or Redemption Request, as applicable.

Portfolio investments comprising interests in K-FIT, which are expected to comprise a material portion of the Sub-Fund's assets at any given time, will be valued based on the latest net asset value reported or provided to the Sub-Fund by K-FIT. As a BDC, K-FIT is required to carry its investments at market value or, if no market value is ascertainable, at the fair value as determined pursuant to policies adopted by the K-FIT Manager and subject to the oversight of the K-FIT Board. Decreases in the market value or fair value of its investments relative to amortized cost will be recorded as unrealized depreciation. Any unrealized losses in its portfolio could be an indication of a portfolio company's inability to meet its repayment obligations to K-FIT with respect to the affected loans. This could result in realized losses in the future and ultimately in reductions of income available for distribution by K-FIT to the Sub-Fund in future periods. In addition, decreases in the market value or fair value of investments held by K-FIT will reduce its net asset value. The Sub-Fund will not have any control over the valuation methods and

accounting rules adopted by K-FIT and no assurance can be given that such methods and rules will at all times allow the Sub-Fund to correctly assess the value of its assets and investments. *See* "*— Investment in K-FIT"* below.

Distributions

There is a risk that investors in the Sub-Fund's Shares may not receive distributions (where applicable) or that the distributions may decrease over time.

The amount of any distributions the Sub-Fund may make in respect of any Class, as applicable, is uncertain. Its distributions in respect of any Class may exceed its earnings in respect of such Class, particularly during the period before it has substantially invested the net proceeds from its continuous offering of Shares.

The Sub-Fund may fund its cash distributions to Shareholders (if any) from any sources of funds available to the Sub-Fund, including offering proceeds, borrowings, net investment income from operations, capital gains proceeds from the sale of assets, non-capital gains proceeds from the sale of assets, dividends or other distributions paid to the Sub-Fund on account of preferred and common equity investments in Portfolio Companies and fee and expense reimbursement waivers from the General Partner, the AIFM or the Investment Manager, if any. The Sub-Fund's ability to pay distributions might be adversely affected by, among other things, the impact of one or more of the risk factors described in this Memorandum (and in the K-FIT PPM). All distributions are and will be paid at the discretion of the General Partner and will depend on the Sub-Fund's earnings, financial condition, and such other factors as the General Partner may deem relevant from time to time. The Sub-Fund cannot assure Shareholders that it will continue to pay distributions to the Shareholders in the future. In the event that the Sub-Fund encounters delays in locating suitable investment opportunities, it may pay all or a substantial portion of its distributions from the proceeds of its continuous offering of Shares or from borrowings or sources other than cash flow from operations in anticipation of future cash flow.

As KKR expects that a significant portion of the assets of KIT will be invested at any given time in shares of K-FIT, investors should note that the ability of KIT to make distributions as described in Section III, "Share Class Information" of this Memorandum shall generally be dependent in large part on the receipt of distributions and repurchase proceeds by KIT in respect of such shares. It is generally intended that K-FIT distributes substantially all of its available earnings annually by paying distributions on a monthly basis, as determined by the K-FIT Board in its discretion. There is no assurance that K-FIT will achieve investment results that will allow it to make a specified level of cash distributions (particularly during the early stages of its operations) or year-to-year increases in cash distributions. K-FIT's ability to pay distributions might be adversely affected by the impact of one or more of the risk factors described in this Memorandum. Due to the asset coverage test applicable to K-FIT under the 1940 Act as a BDC, it may be limited in its ability to make distributions. In addition, if K-FIT enters into a credit facility or any other borrowing facility, for so long as such facility is outstanding, it is anticipated that K-FIT may be required by the terms of such credit facility or borrowing facility to use all payments of interest and principal that K-FIT receives from its current investments as well as any proceeds received from the sale of its current investments to repay amounts outstanding thereunder, which could adversely affect its ability to make distributions. *See* "*— Investment in K-FIT"* below.

Discretionary Expense Limitation and Reimbursement

The Investment Manager may, in its sole discretion, apply an Expense Limitation on certain Sub-Fund Expenses and/or Formation Costs to be borne by the Fund and/or KIT, as applicable, in any given month, and defer the payment and/or reimbursement of the portion of Sub-Fund Expenses and/or Formation Costs in excess of such Expense Limitation by the Fund and/or KIT, as applicable, to subsequent periods. The Investment Manager may remove the Expense Limitation in its sole discretion and at any time, and the Fund and/or KIT (as applicable and as determined by the Investment Manager in its sole discretion) will repay any excess unreimbursed expenses deferred pursuant to the foregoing sentence and/or any other outstanding unreimbursed amounts of Sub-Fund Expenses and/or Formation Costs within a period not exceeding five years following the date on which the Investment Manager removed the Expense Limitation. By subscribing for Shares, Shareholders will be deemed to have acknowledged and agreed that: (i) this Expense Limitation, if applied, will lower the Sub-Fund Expenses and/or Formation Costs for the period during which the Expense Limitation is in place (resulting in a greater Net Asset Value per Share during such period than otherwise would have been the case) and, consequently, defer such

expenses to later periods; (ii) they may be required to bear a portion of Sub-Fund Expenses and/or Formation Costs relating to periods prior to their admission into KIT; (iii) Shareholders redeeming their Shares before the complete reimbursement of Sub-Fund Expenses and/or Formation Costs will bear a lower amount of Sub-Fund Expenses and/or Formation Costs than otherwise would have been the case, should the Expense Limitation not have been in place; and (v) Shareholders redeeming their Shares before the first anniversary of the Initial Subscription Day, or on any such later date as the Investment Manager may decide in its sole discretion, will bear no Formation Costs and limited Sub-Fund Expenses (but will be, for the avoidance of doubt, subject to the Early Redemption Deduction).

Need for Follow-on Investments

Following its initial investment in a given Portfolio Company or other issuer, the Sub-Fund could have the opportunity to provide additional funds or increase its investment in such Portfolio Company or other issuer. There is no assurance that the Sub-Fund will make follow-on investments or that the Sub-Fund will have sufficient funds or investment capacity to make (or will be permitted to make under the Sub-Fund's investment restrictions) all or any of such investments. Any decision by the Sub-Fund not to make follow-on investments or its inability to make such investments could have a substantial negative effect on an issuer in need of such an investment, could result in a lost opportunity for the Sub-Fund to increase its participation in a successful investment, could result in the Sub-Fund's investments in the relevant issuer becoming diluted and, in circumstances where the follow-on investment is offered at a discount to market value, could result in a loss of value for the Sub-Fund.

Trade Errors

A trade error is generally defined as an error in the placement, execution, or settlement of a trade for a client, whether by KKR or an affiliate or a third party. Trade errors are evaluated on a case-by-case basis. Trade errors might include, for example, failure to recognize the existence of one or more financial instruments held by the Sub-Fund (resulting in, among other things, duplicative transactions that have an unintended economic effect on the Sub-Fund), keystroke errors that occur when entering trades into an electronic system, typographical or drafting errors related to derivatives contracts or similar or other agreements or other errors that KKR, in its discretion, designates as a trade error.

Investors should assume that trade errors will occur; however, KKR, the Sub-Fund, the General Partner and their respective affiliates will not be responsible for any losses resulting from any trade errors made by KKR or its affiliates or a third party in respect of investments made by the Sub-Fund or any other KKR-sponsored fund, vehicle and/or account, except to the extent such parties are liable pursuant to the governing documents of the Sub-Fund or such other KKR-sponsored fund, vehicle and/or account as a result of bad faith, wilful misconduct or gross negligence.

From time to time, KKR could elect to voluntarily reimburse the Sub-Fund for losses suffered as a result of certain trade errors. However, investors should not expect that a reimbursement to the Sub-Fund in respect of a trade error will ever take place, and, in evaluating the Sub-Fund, no decisions should be made in reliance on the expectation of such reimbursements. Any decision to reimburse is not precedential and should not create the expectation of any reimbursement in the future. KKR will be biased when determining whether losses resulting from a trade error are required to be borne by the Sub-Fund. Generally, in determining whether the KKR or its affiliate committed fraud, wilful misconduct or gross negligence, the General Partner will evaluate and consider, among other things, the adequacy of the supervisory procedures in place to prevent such errors from recurring with any frequency.

Where relevant in connection with any trade error, KKR will evaluate the merits of potential claims for damage against brokers and counterparties who are at fault and, to the extent practicable, could seek to recover losses from those parties. KKR could, however, choose to forego pursuing claims against brokers and counterparties on behalf of the Sub-Fund for any reason, including, but not limited to, the cost of pursuing claims relative to the likely amount of any recovery and the maintenance of its business relationships with brokers and counterparties. KKR's own execution and operational staff could be solely or partly responsible for errors in placing, processing, and settling trades that result in losses to the Sub-Fund.

Absence of Recourse; Indemnification

This Memorandum includes exculpation and indemnification provisions that will limit the circumstances under which the General Partner, the AIFM, the Investment Manager, their Affiliates and others can be

held liable to the Sub-Fund. Additionally, certain service providers to the Sub-Fund, the General Partner, the AIFM, the Investment Manager, their respective Affiliates, agents and other persons, including, without limitation, the investment professionals of the Investment Manager, the AIFM and the General Partner and their Affiliates, the Depositary and placement agents and finders, are entitled to exculpation and indemnification (in certain cases, on terms more favourable to them than those available to indemnitees, generally). The assets of the Sub-Fund will be available to satisfy these indemnification obligations. KKR carries liability insurance (including "D&O" insurance) that KKR believes is similar to that which other asset managers with similar businesses hold, and in amounts that are customary for the types of businesses that KKR operates. However, there is no guarantee that such insurance will be available to satisfy losses for which the Sub-Fund is required to provide indemnification, and potential insurance claims will not delay the availability of the advances provided to indemnified persons under this Memorandum. Moreover, the fiduciary duties of the General Partner and its Affiliates are modified or in some cases eliminated pursuant to the terms of this Memorandum. As a result, the Shareholders will likely have a more limited right of action in certain cases than they would in the absence of such limitations.

As described below in "— *Investment in K*-FIT", the K-FIT Manager and its officers, managers, partners, members (and their members, including the owners of their members), agents, employees, controlling persons and any other person or entity affiliated with, or acting on behalf of, the K-FIT Manager (which includes KKR Credit acting in such capacity) will not be liable to K-FIT for their acts and omissions in respect of their services to K-FIT absent wilful misfeasance, bad faith or gross negligence and reckless disregard of their respective duties and are entitled to indemnification out of the assets of K-FIT with respect to all damages, liabilities, costs and expenses incurred in connection with such services not arising out of such wilful misfeasance, bad faith, gross negligence or reckless disregard of duties. These protections may lead the K-FIT Manager and its Affiliates (including KKR Credit) to act in a riskier manner when acting on K-FIT's behalf than it would when acting for its own account.

Public Disclosure

Some of the Shares in the Sub-Fund likely will be held, directly or indirectly, by investors, such as public pension plans and listed investment vehicles, that are subject to public disclosure requirements including, without limitation, as a result of any governmental public records access law or other freedom of information laws or laws with a similar intent or effect. The amount of information about their investments (including debt fund investments) that is required to be disclosed has increased in recent years, and that trend could continue. To the extent that disclosure of confidential information relating to the Sub-Fund or its portfolio investments results from Shares being held by public investors, the Sub-Fund could be adversely affected. The General Partner can, in order to prevent any such potential disclosure, withhold all or any part of the information otherwise to be provided to such public investors to the extent permitted under applicable law.

In-Kind Distributions

The Sub-Fund is permitted to distribute bonds and other assets to Shareholders that are non-marketable or are otherwise illiquid. The risk of loss and delay in liquidating such assets will be borne by the Shareholders, with the result that Shareholders could receive less cash than was reflected in the fair value of such assets as determined by the General Partner pursuant to this Memorandum. In addition, when investments are distributed to Shareholders in kind, such Shareholders could then become a security or loan holder of (or possibly shareholders in) the underlying Portfolio Companies or other issuers of the relevant investments and could be unable to protect their interests effectively.

Accounting, Disclosure and Regulatory Standards

The Sub-Fund is using Lux GAAP accounting standards for the calculation of its Net Asset Value, its valuation and the establishment of its audited annual report. The Sub-Fund's accounting standards may not correspond to the accounting standards of other underlying entities, resulting in different financial information appearing on their respective financial statements. Information available to Shareholders in the Sub-Fund's audited annual report may differ from information available in the financial statements of underlying entities, including operations, financial results, capitalization and financial obligations, earnings and securities.

Furthermore, for a Portfolio Company that keeps accounting records in a currency other than U.S. dollar, inflation accounting rules in certain markets require, for both tax and accounting purposes, that certain

assets and liabilities be restated on the Portfolio Company's balance sheet in order to express items in terms of a currency of constant purchasing power. As a result, financial data of prospective portfolio investments may be materially affected by restatements for inflation and may not accurately reflect actual value. Accordingly, the Sub-Fund's ability to conduct due diligence in connection with an investment and to monitor the investment may be adversely affected by these factors.

Fluctuation in Quarterly Results

The Sub-Fund could experience fluctuations in its quarterly operating results due to a number of factors, including its ability or inability to make investments that meet its investment criteria, the interest rate payable on the loans or other debt securities it originates or acquires, the level of its expenses (including its borrowing costs), variations in and the timing of the recognition of realized and unrealized gains or losses, the degree to which it encounters competition in markets and general economic conditions. As a result of these factors, results for any previous period should not be relied upon as being indicative of performance in future periods.

Reliance on the General Partner, the AIFM, the Investment Manager, the K-FIT Manager and their Investment Professionals

Shareholders will have no opportunity to control the day-to-day operations, including investment and disposition decisions, of the Sub-Fund. Shareholders must rely entirely on the General Partner, the AIFM, the Investment Manager and their Affiliates to conduct and manage the affairs of the Sub-Fund and its respective investments. As of the date of this Memorandum, none of the Sub-Fund's investments have been identified, and the success of the Sub-Fund will therefore depend on the ability of the General Partner, the AIFM, the Investment Manager and their Affiliates to identify and consummate suitable investments and to dispose of investments of the Sub-Fund at a profit. The General Partner, the AIFM, the Investment Manager and their Affiliates will rely on the skill and expertise of the KKR Credit investment teams, FS Investments and others providing investment and other advice and services with respect to the Sub-Fund. There can be no assurance that these key investment professionals or other persons will continue to be associated with or available to the General Partner, the AIFM, the Investment Manager, and their Affiliates throughout the life of the Sub-Fund. The loss of the services of one or more of such persons could have an adverse impact on the Sub-Fund as applicable.

Furthermore, although members of the KKR Credit investment teams and other investment professionals intend to devote a sufficient amount of time to the Sub-Fund so that it can carry out its proposed activities, some of these individuals are also responsible for the day-to-day activities and investments of certain Other KKR Funds as further discussed under Section XIII, "*Potential Conflicts of Interest*" below and/or KKR more broadly. KKR has established and is permitted in the future to establish Other KKR Funds from time to time that focus on investments that fall within and outside of the Sub-Fund's primary investment mandate and KKR investment professionals (including members of the KKR Credit investment teams) will spend time and attention on such Other KKR Funds.

Moreover, although in managing the Sub-Fund and its investments, the General Partner, the AIFM, the Investment Manager and their Affiliates expect to have access to appropriate resources, relationships and expertise of KKR generally (subject to information sharing policies and procedures with respect to KKR's credit and public equity business and KKR's broker dealer Affiliate), there can be no assurance that such resources, relationships and expertise will be available for every investment transaction. Among other constraints, access to these resources will be limited by information sharing policies and procedures that apply to KKR's credit and public equity business and its broker-dealer Affiliate. In addition, investment professionals and committee members, including members of the Sub-Fund's investment team and the applicable investment committees, can be replaced or added over time or required to recuse themselves or otherwise be restricted from participating in any investment-related decision by the relevant committee because, for example, they have acquired confidential information relating to an investment through their involvement with an Other KKR Fund and applicable securities laws or regulations, contractual confidentiality obligations or other applicable legal or regulatory considerations restrict their ability to participate on behalf of the Sub-Fund in the management of the relevant investment. Modifications to KKR's management, operating and investment procedures, which can be modified at any time, can also result in changes to the investment professionals and other Firm resources that the General Partner, the AIFM, the Investment Manager and their Affiliates have access to with respect to the management of the Sub-Fund and its investments.

The General Partner is controlled by its general partner, KKR-Income Trust GP S.à r.l., a Luxembourg limited liability company, which is controlled by its sole shareholder, KKR-Income Holdings LLC, a Delaware limited liability company, which is controlled by its sole member, KKR Group Partnership L.P. KKR-Income Trust GP S.à r.l. is managed by a board of managers, which consists of certain KKR senior employees and certain third-party Luxembourg-based service providers appointed by KKR-Income Holdings LLC. While KKR believes that appropriate checks on decision making are in place with respect to the board of managers of KKR-Income Trust GP S.à r.l., in the event that any member of the board of managers takes any action inconsistent with the views of KKR as the sole shareholder, KKR-Income Holdings LLC could have to replace the specific member of the board of managers with an appropriate alternative and there could be delays in doing so as a result of procedural or other requirements of Luxembourg law.

Similar considerations apply to K-FIT, the K-FIT Manager, the K-FIT investment committee and the Sub-Fund's investment therein. The K-FIT Manager is an investment adviser jointly operated by KKR Credit and an Affiliate of FS Investments. The 1940 Act and the Code impose numerous constraints on the operations of BDCs such as K-FIT that do not apply to other investment vehicles including the Sub-Fund in respect of its direct activities. KKR Credit's and FS Investments' individual track records and achievements are not necessarily indicative of the future results they will achieve as a joint investment adviser to K-FIT. Accordingly, there is no assurance that K-FIT will replicate the historical performance of other investment companies with which KKR Credit and FS Investments have been affiliated, and the investment returns of K-FIT could be lower than the returns achieved by such other companies, including any other BDCs.

Limitations on Limited Liability of Shareholders

The Fund has been or will be organized as company in the form of a partnership limited by shares. Accordingly, it is expected that a Shareholder of the Sub-Fund will not be personally liable for the debts of the Sub-Fund, except that the Shareholders could, under applicable law, be obligated to repay amounts previously received by them to the extent such amounts are deemed to have been wrongfully distributed to them or as otherwise required under the Documents.

Insufficient Fundraising by the Sub-Fund

Amounts that the Sub-Fund raises may not be sufficient for it to purchase a broad portfolio of investments. The opportunity for the Sub-Fund to purchase a broad portfolio of investments may be decreased and the returns achieved on those investments may be reduced as a result of allocating all of its expenses among a smaller capital base if it's capital raising activities are less successful than anticipated. If it is unable to raise substantial funds, it may not achieve certain economies of scale and its expenses may represent a larger proportion of its total assets.

Certain Additional Legal and Regulatory Risks

Legal and Regulatory Risks

The regulatory considerations affecting the ability of the Sub-Fund to achieve its investment objectives are complicated and subject to change. In the United States, certain parts of Europe and other jurisdictions, the private funds industry has, over the last several years, been subject to criticism by some politicians, regulators and market commentators. The recent negative perception of this industry in certain countries could make it harder for funds sponsored by alternative management firms, such as the Sub-Fund, to bid for and complete investments successfully.

The financial services industry generally, and the activities of private investment funds and their managers in particular, have been subject to intense and increasing regulatory oversight and enforcement actions. This increased political and regulatory scrutiny of the private funds industry was particularly acute during the global financial crisis but continues to focus on the private funds industry. Such scrutiny might increase the exposure of the Sub-Fund, the General Partner, the AIFM, KKR and its Affiliates to potential liabilities and to legal, compliance and other related costs. Increased regulatory oversight might impose administrative burdens on the General Partner, the AIFM and KKR, including, without limitation, those arising from responding to investigations and implementing new policies and procedures. Such burdens could divert the General Partner's, the AIFM's and the Investment Manager's time, attention and resources from portfolio management activities.

Since the enactment of the Dodd Frank Wall Street Reform and Consumer Protection Act of 2010 (the "**Dodd-Frank Act**"), there have been extensive rulemaking and regulatory changes that have affected private fund managers, funds that they manage and the financial industry as a whole. The SEC has adopted a number of rules (and has proposed and will in the future adopt rules) that directly or indirectly impact registered investment advisers to private funds. Other jurisdictions, including the EU (*see* "*— Compliance with and Review of the AIFMD*" below), have passed and are in the process of implementing similar measures. It is difficult to anticipate the impact of these and other regulatory changes on the General Partner, the AIFM, the Investment Manager, the Sub-Fund and their Affiliates. These new rules have added (or will add) costs to the legal, operations, reporting and compliance obligations of KKR and have increased (or will increase) the amount of time that KKR spends on non-investment-related activities. Such increased regulatory burdens and reporting requirements could divert the attention of personnel and the management teams of Portfolio Companies and other issuers in which the Sub-Fund invests and could furthermore place the Sub-Fund at a competitive disadvantage to the extent that KKR or Portfolio Companies or other issuers of the Sub-Fund's investments are required to disclose sensitive business information. The continued regulatory uncertainty could make markets more volatile, and it could be more difficult for the General Partner to execute the investment strategy of the Sub-Fund.

There also have been several other regulatory developments that affect a broad range of financial market intermediaries and other market participants with whom the Sub-Fund interacts or might interact. Regulatory changes that will affect other market participants are likely to change the way in which the Sub-Fund conducts business with counterparties. As discussed below, in August 2023, the SEC voted to adopt new rules and amendments to existing rules under the Advisers Act specifically related to registered investment advisers and their activities with respect to private funds and which could have a significant impact on advisers to private funds (including the KKR Group) and their operations, including increased compliance burdens and associated regulatory costs; increased operating costs for the Sub-Fund, including administrative, insurance and legal expenses; increased risk of regulatory action, including public regulatory sanctions, and could result in renegotiation or revisions to the terms of the Sub-Fund by the Shareholders. Further, certain countries have sought to tax (or have taxed) the investment gains derived by non-resident investors, including private funds, from the disposition of the equity in companies operating in those countries. In some cases, this is the result of new legislation or changes in the interpretation of existing legislation, and in other cases tax authorities have challenged investment structures that benefit from tax treaties between countries. There is therefore the risk that burdensome new laws (including tax laws) or regulations or changes in applicable laws or regulations or in the interpretation or enforcement thereof, specifically targeted at the private funds industry, or other related regulatory developments could adversely affect private fund managers and the funds that they sponsor, including the Sub-Fund.

Enhanced Scrutiny and Potential Regulation of the Private Investment Fund Industry in the U.S.

In August 2023, the SEC voted to adopt new rules and amendments to existing rules under the Advisers Act (collectively, the "**SEC Private Fund Adviser Rules**") specifically related to registered investment advisers and their activities with respect to private funds. The SEC Private Fund Adviser Rules impose a wide range of new obligations and restrictions, including: (i) expansive quarterly reporting requirements (including short reporting timeframes) by advisers to private fund investors concerning fund performance, fees and expenses; (ii) a requirement for advisers to obtain an annual audit for private funds and to require such fund's auditor to notify the SEC upon the occurrence of certain material events; (iii) a requirement in connection with adviser-led secondary transactions (also known as GP-led secondaries) to obtain a fairness or valuation opinion and make certain disclosures; (iv) restrictions on advisers engaging in certain practices, such as, without limitation, allocating or seeking reimbursement for certain regulatory or compliance expenses of an adviser or its related persons or relating to an examination or investigation thereof; (v) restricting certain non-*pro rata* allocations of investment-related expenses; and (vi) limitations and new disclosure requirements regarding preferential treatment of investors in private funds in side letters or other arrangements with an adviser (for example, there are prohibitions on providing favourable redemption rights and preferential information rights that would have a material, negative effect on other investors, as well as disclosure requirements for other preferential rights, including a requirement to disclose preferential material economic rights to prospective investors in advance of investing and disclosure following investment of all other preferential rights).

The SEC Private Fund Adviser Rules represent a significant departure from the longstanding, disclosure-based regulatory framework applicable to registered investment advisers and the full extent of the implications on the operation of the KKR Group's broader business remains uncertain at this time. These rules are expected to have a significant effect on KKR, and its operations, including: (i) increasing

compliance burdens and associated regulatory costs; (ii) increasing litigation risk; (iii) reducing the ability to receive expense or indemnification reimbursements; (iv) increasing the risk of regulatory action, fines, penalties or public regulatory sanctions; (v) increasing the cost and availability of reporting; and (vi) reducing the availability of service providers and counterparties and/or increasing the costs associated with obtaining and maintaining relationships with service providers and counterparties for the KKR Group and the Sub-Fund. Such changes also could result in modifications to the KKR Group's practices and risk appetite in respect of the KKR Group's investment programs and other operations, which for example, could negatively impact decision-making and Sub-Fund performance due to changes in indemnification standards. Increased disclosure obligations are likely to result in the KKR Group incurring higher costs if such new disclosure obligations require it to spend more time, hire additional personnel or buy new technology to comply effectively.

The SEC Private Fund Adviser Rules have varying compliance periods and will generally phase in over the 12-18 months following publication in the federal register. While the SEC Private Fund Adviser Rules contain certain limited exceptions for legacy funds that were in existence and commenced operations before the relevant compliance dates, many aspects of the SEC Private Fund Adviser Rules are expected to apply to, and therefore to impact, the activities of the Sub-Fund.

The SEC Private Fund Adviser Rules could result in material alterations to how KKR operates its business and/or the Sub-Fund, as well as KKR's implementation of the Sub-Fund's investment strategy, and there can be no assurance that such alterations will not have a material adverse effect on the KKR Group, the General Partner, the Sub-Fund, the Sub-Fund's investments and/or the Shareholders. To the extent permitted under this Memorandum and applicable regulation, the incremental costs of compliance by the KKR Group, the General Partner and/or the Sub-Fund with the SEC Private Fund Adviser Rules will be borne by the Sub-Fund, which costs could be significant.

The SEC Private Fund Adviser Rules could significantly increase the cost of insurance, specifically D&O and E&O insurance, or could cause such insurance coverage to be unavailable.

Compliance with and Review of the AIFMD

The AIFMD came into force in July 2011 and has been implemented in all EU member states. The AIFMD applies to (i) alternative investment fund managers established in the EU who manage EU or non-EU alternative investment funds ("**AIFs**"), (ii) non-EU alternative investment fund managers who manage EU AIFs and (iii) non-EU alternative investment fund managers which market their AIFs within the EU. The AIFMD has also been extended generally to the non-EU countries forming part of the EEA, i.e., Liechtenstein, Iceland and Norway. The AIFMD imposes operating requirements on alternative investment fund managers within its scope. The operating requirements imposed by the AIFMD include, among other things, rules relating to the remuneration of certain personnel, minimum regulatory capital requirements, restrictions on the use of leverage, restrictions on distributions that could impact an AIF's ability to recapitalize, refinance or potentially restructure an EEA Portfolio Company within the first two years of ownership ("asset stripping" rules), rules on the exposure that can be taken by an AIF to securitizations, disclosure and reporting requirements to both investors and home state regulators and independent valuation of an AIF's assets. As a result, the AIFMD could have an adverse effect on the General Partner, the Sub-Fund, the AIFM and/or KKR by, among other things, increasing the regulatory burden and costs of doing business in the EU or EEA member states, imposing extensive disclosure obligations on the Sub-Fund's Portfolio Companies (if any) located in the EU or EEA member states, significantly restricting marketing activities within the EU or EEA member states, potentially requiring KKR to change its compensation structures for key personnel, thereby affecting KKR's ability to recruit and retain these personnel, and disadvantaging the Sub-Fund with respect to investments in Portfolio Companies located in EU or EEA member states when compared to a non-AIF/alternative investment fund manager which might not be subject to the requirements of the AIFMD. The AIFMD could also limit the General Partner's and the AIFM's operating flexibility and the Sub-Fund's investment opportunities, as well as expose the Sub-Fund, the General Partner, the AIFM and/or KKR to conflicting regulatory requirements in the United States and the EU. It should be noted that some aspects of the scope and requirements of the AIFMD remain uncertain due to lack of judicature, official regulatory guidance and established market practice. For example, a subsidiary of the Sub-Fund could itself be characterized as an AIF, thus requiring an AIFM to be appointed in respect of that subsidiary, limiting the operational flexibility of that subsidiary and increasing the costs and regulatory burden of running that subsidiary.

In addition, guidance contained in the AIFMD Q&A issued by the European Securities and Markets Authority could result in EU member state regulators requiring that the AIFM assume greater responsibility for, and mandate direct contractual relationships with administrators, distributors and other service providers performing functions relating to the administration, marketing and other activities relating to AIFs. If the home member state regulator of the AIFM and/or the Sub-Fund took such steps this could result in additional regulatory burdens and costs for the Sub-Fund. The AIFMD is currently subject to ongoing legislative review by the European Commission, which published on November 25, 2021 a proposal for a directive amending the AIFMD with respect to delegation arrangements, liquidity risk management, supervisory reporting, provision of depositary and custody services and loan origination by AIFs. The outcome of that review is pending and the European Commission's proposal may be amended before it is ultimately proposed for adoption, as well as other EU institutions may request additional changes during the legislative process, and therefore it is not currently clear what changes to the AIFMD could be implemented and what impact any such changes would have on the Sub-Fund, the AIFM and/or the Investment Manager.

Shadow Banking Regulation

There has been increasing commentary amongst regulators and intergovernmental institutions, including the Financial Stability Board and International Monetary Fund, on the topic of so-called "shadow banking" (a term generally taken to refer to credit intermediation involving entities and activities outside the regulated banking system).

The Financial Stability Board issued a report that recommended strengthening oversight and regulation of the "shadow banking" system in Europe. The report outlined initial steps to define the scope of the shadow banking system and proposed general governing principles for a monitoring and regulatory framework. While, at this stage, it is difficult to predict the scope of any new regulations, if such regulations were to extend the regulatory and supervisory requirements, such as capital and liquidity standards, currently applicable to banks, or the Sub-Fund was considered to be engaged in "shadow banking," the regulatory and operating costs associated therewith could adversely impact the implementation of the Sub-Fund's investment strategy and the Sub-Fund's returns and could become prohibitive. In an extreme eventuality, it is possible that such regulations could render the continued operation of the Sub-Fund unviable and lead to its premature termination or restructuring.

Depositary Risks

The Depositary appointed by the Sub-Fund and its delegates, if any, will have custody of the Sub-Fund's securities, cash, distributions and rights accruing to the Sub-Fund's securities accounts (if any) to the extent provided for in the Depositary Agreement. If the Depositary or a delegate holds cash on behalf of the Sub-Fund, the Sub-Fund could be an unsecured creditor in the event of the insolvency of the Depositary or its delegates. Although this is generally done to reduce or diversify risk, there can be no assurance that holding securities through the Depositary or its delegates will eliminate custodial risk. The Sub-Fund will be subject to credit risk with respect to the Depositary and its delegates, if any.

While the Sub-Fund can only invest to a limited extent outside North America and Europe and will not invest in emerging market countries, the Sub-Fund could nonetheless invest to some degree in markets where custodial and/or settlement systems are not fully developed. Increased risks are associated with such investments. In addition, investors should be aware that because the Sub-Fund will invest in countries outside of the EU ("**non-EU countries**"), there is a heightened depositary risk for the Sub-Fund in respect of such investments where the law of a non-EU country requires that the financial instruments are held in custody by a local entity and no local entities satisfy the delegation requirements in the AIFMD. Accordingly, such entities could not be subject to effective prudential regulation and supervision in the non-EU country or subject to external audit to ensure that the financial instruments are in its possession. In such circumstances, the Depositary could delegate its custody duties under the Depositary Agreement to such a local entity only to the extent required by the law of the non-EU country and only for as long as there are no local entities that satisfy the delegation requirements and the Depositary could discharge itself of liability for the loss of such financial instruments. Such discharge of liability is subject to the conditions of Article 21(14) of the AIFMD being met.

Laws of Jurisdictions Where the Sub-Fund is Marketed

Shares in the Sub-Fund can be marketed in various jurisdictions in addition to those more specifically addressed elsewhere in this Memorandum. In order to market Shares in the Sub-Fund in certain

jurisdictions (or to investors who are citizens of or resident in such jurisdictions), the Sub-Fund, the General Partner, the AIFM, the Investment Manager and their Affiliates will be required to comply with applicable laws and regulations relating to such activities. Compliance could involve, among other things, making notifications to or filings with local regulatory authorities, registering the Sub-Fund, the General Partner, the AIFM, the Investment Manager and their Affiliates or the Shares with local regulatory authorities or complying with operating or investment restrictions and requirements, including with respect to prudential regulation. Compliance with such laws and regulations could limit the ability of the Sub-Fund to participate in investment opportunities and could impose onerous or conflicting operating requirements on the Sub-Fund, the General Partner, the AIFM, the Investment Manager and their Affiliates. The costs, fees and expenses incurred in order to comply with such laws and regulations, including, without limitation, related legal fees and filing or registration fees and expenses, will be borne by the Sub-Fund and could be substantial. In addition, if the Sub-Fund, the General Partner, the AIFM, the Investment Manager and their Affiliates were to fail to comply with such laws and regulations, any or all of them could be subject to fines or other penalties, the cost of which typically would be borne by the Sub-Fund.

Segregation of Sub-Funds

Because the Fund is a newly formed Luxembourg company in the form of a partnership limited by shares qualifying as an umbrella investment company with variable capital – reserved alternative investment under the RAIF Law, the rights of creditors of the Fund whose claims have arisen in relation to a specific sub-fund of the Fund are strictly limited to the net assets of such compartment without any recourse to the assets of any other sub-fund of the Fund or any other assets of the Fund. This means that the assets of the Sub-Fund should be available only for distribution to creditors such as Shareholders whose claims have arisen in connection with the creation, the operation and/or the liquidation of the Sub-Fund.

It should be noted that, as of the date hereof, the Fund has not established any other sub-funds. In addition, the Fund is not restricted from creating from time to time additional sub-funds that can employ leverage. In spite of the fact that the segregation of assets and liabilities is protected under Luxembourg law, there is a risk that, should the liabilities of any sub-fund created by the Fund from time to time exceed its assets, creditors of such other sub-fund will seek to access the assets of the Sub-Fund in another jurisdiction and under another system of law. The Fund is not aware of any such challenge having been made in respect of a Luxembourg compartmentalized vehicle and does not believe it could be successfully made in respect of the Sub-Fund. However, in such circumstances, a legal attempt by creditors of another sub-fund to access the Sub-Fund's assets (whether successful or not) could adversely affect the Sub-Fund's business, financial condition, results of operations and the value of the Shares.

Absence of Regulatory Oversight

The Sub-Fund is not a registered investment company under the 1940 Act and the Sub-Fund has no current intention of being so registered. The Sub-Fund is an alternative investment fund under the AIFMD. As such, the Fund is managed by an authorised alternative investment fund manager in accordance with the AIFMD requirements. The Fund is however, not subject to any direct product supervision by any Luxembourg or foreign supervisory authority. Accordingly, the provisions of the 1940 Act and of similar legislation in other jurisdictions regulating the relationship between an investment fund and its asset manager and otherwise protecting the interests of investors in an investment fund are generally not expected to be applicable to an investment in the Fund or the Sub-Fund.

Pay-to-Play Laws, Regulations and Policies

A number of U.S. states and municipal pension plans have adopted so-called "pay-to-play" laws, regulations or policies, which prohibit, restrict or require disclosure of payments to (and/or certain contacts with) state officials by individuals and entities seeking to do business with state entities, including those seeking investments by public retirement funds, and which require investment advisers to adopt recordkeeping and reporting programs that monitor the adviser's and its employees' activities. The SEC has adopted rules that, among other things, prohibit an investment adviser from providing advisory services for compensation to a government client for two years after the adviser or certain of its executives or employees makes a contribution to certain elected officials or candidates. Several U.S. states have followed suit by issuing similar restrictions at the state level. In addition, the SEC has reportedly investigated whether certain financial firms made improper payments to secure investments from sovereign wealth funds. Although the General Partner, the AIFM and the Investment Manager have

established policies to comply with such "pay-to-play" laws and SEC rules, if the Investment Manager, the General Partner, the AIFM or any of their employees or Affiliates or any service provider acting on their behalf fails to comply with such laws, regulations or policies, such non-compliance could have a materially adverse effect on such persons and on the Sub-Fund.

Voting K-FIT Shares

To address certain 1940 Act considerations implicated by the Sub-Fund's investment in K-FIT shares, the General Partner has adopted a "mirror voting" policy with respect to circumstances where a vote, consent or election is solicited by K-FIT from the Sub-Fund as a holder of K-FIT shares. In such circumstances, the Sub-Fund will exercise such rights on a proportionate basis in the same manner as the other investors in K-FIT that are eligible to participate in the relevant vote, consent or election. For example, if 60% of the K-FIT shares held by all investors in K-FIT other than the Sub-Fund are voted in favour of a matter in which the Sub-Fund's vote is being solicited and 40% of such shares are voted against such matter, the Sub-Fund will vote 60% of its K-FIT shares in favour of such matter and 40% of its shares against such matter. The interests of the Sub-Fund and other investors in K-FIT may not be aligned in respect of any given matter and accordingly, this policy may result in the Sub-Fund fully or partially exercising its rights in respect of its shares in K-FIT in a manner that is contrary to the best interests of the Sub-Fund, which could adversely impact the Sub-Fund.

Investment in K-FIT

KIT is expected to implement a material portion of its investment strategies through investing in common shares issued by K-FIT, a specialty finance company, organized on February 4, 2022 as a Delaware statutory trust. K-FIT is a non-diversified, closed-end management investment company that filed an election to be regulated as a BDC under the 1940 Act on March 31, 2023, and is externally managed by FS/KKR Advisor, LLC, a registered investment adviser under the Advisers Act, that is jointly operated by KKR Credit and by an Affiliate of Franklin Square Holdings, L.P. K-FIT has a similar investment objective and pursues similar investment strategies to KIT but has a geographic focus that is primarily on the United States. It is expected in particular that KIT will implement its U.S. originated Direct Lending investments indirectly through its investments in K-FIT, as a well as a portion of its other investment strategies.

While KIT currently expects its investment in K-FIT over time to represent between 60% to 70% of its Net Asset Value, subject to applicable law, it has not adopted any specific minimum investment guidelines in respect of such investments. Subject to the limitations set out herein, the actual percentage of KIT's Net Asset Value that will be invested in K-FIT at any given time will be determined by the General Partner in its sole discretion and could differ materially depending on applicable law (which among other things restricts the percentage of KIT's assets that may be invested in K-FIT and the percentage of K-FIT that may be owned by KIT), market opportunities, KIT's liquidity requirements and other variable factors. KIT will, however, at any time invest more than 15% of its assets directly outside of its investments in K-FIT.

Direct investments made by KIT could be held directly or indirectly through wholly-owned subsidiaries of KIT. References in this Memorandum to KIT, the Sub-Fund or the Fund include such subsidiaries unless the context otherwise requires. Such direct investments (including investments made through any wholly-owned subsidiaries of KIT) are permitted to be made directly and indirectly through investment origination, acquisition or servicing joint venture or other platform arrangements, including alongside operators and managers of such arrangements formed to pursue these opportunities, and can also include investments in such operators and managers.

This "Investment in K-FIT" sub-section summarizes certain key K-FIT terms and considerations, but investors should note that any summary information regarding K-FIT included in this Memorandum is qualified in its entirety by the K-FIT PPM, which is available to investors at any time on request. Without limiting the foregoing, while the risk considerations noted below and more generally in this Memorandum are also generally applicable to K-FIT and the Sub-Fund's indirect investments through K-FIT in addition to its direct investments, additional considerations not described herein are and may in the future be applicable to K-FIT. Potential investors are encouraged to carefully review relevant information in the K-FIT PPM, including the description of investment and other risks set forth therein, prior to any investment in the Sub-Fund.

Governance

K-FIT's business and affairs are managed under the direction of its Board of Trustees (the "**K-FIT Board**"). The K-FIT Board consists of eleven Trustees, nine of whom are not "interested persons", as defined in the 1940 Act, of K-FIT or the K-FIT Manager (including KKR) and are "independent," as determined by the Board. Subject to the oversight of the K-FIT Board, the K-FIT Manager oversees the management of K-FIT's operations and is responsible for making investment decisions with respect to K-FIT's portfolio. The management of K-FIT's investment portfolio is the responsibility of the K-FIT Manager's investment committee, which is currently comprised of four appointees of KKR Credit and four appointees of FS Investments.

K-FIT will not pay compensation to its Trustees who also serve in an executive officer capacity for K-FIT or the K-FIT Manager. K-FIT's Trustees who do not also serve in an executive officer capacity for K-FIT or the K-FIT Manager have temporarily agreed to waive annual cash retainer fees and annual fees for serving as committee members or chairpersons. The amount of such fees will be established by the K-FIT Board at a later date. K-FIT will reimburse each of the Independent Trustees for all reasonable and authorised business expenses in accordance with its policies as in effect from time to time, including reimbursement of reasonable out-of-pocket expenses incurred in connection with attending each in-person K-FIT Board meeting and each in-person K-FIT Board committee meeting not held concurrently with a K-FIT Board meeting. K-FIT has obtained trustees' and officers' liability insurance on behalf of its Trustees and officers.

The K-FIT Manager is registered as an investment adviser under the Advisers Act. Subject to the overall supervision of the K-FIT Board, the K-FIT Manager will manage the day-to-day operations of, and provide investment advisory and administrative services to, K-FIT.

The management of K-FIT's investment portfolio is the responsibility of the K-FIT investment committee which is comprised of four appointees of KKR Credit and four appointees of FS Investments. The members of the K-FIT investment committee are not employed by K-FIT and receive no compensation from K-FIT in connection with their portfolio management activities.

The advisory agreement pursuant to which the K-FIT Manager is appointed by K-FIT (the "**K-FIT Advisory Agreement**") has an initial two-year term and thereafter will remain in effect from year-to-year if approved annually by a majority of the Board of Trustees or by the holders of a majority of K-FIT's outstanding voting securities and, in each case, a majority of the Independent Trustees. The K-FIT Advisory Agreement may be terminated by K-FIT upon 60 days' written notice. The decision to terminate the K-FIT Advisory Agreement may be made by a majority of the Board of Trustees or the shareholders holding a majority of K-FIT's outstanding voting securities.

Investment opportunities and follow-on investments in existing portfolio companies will generally require approval of K-FIT's investment committee, which meets regularly to consider K-FIT's investments, direct K-FIT's strategic initiatives and supervise the actions taken by the K-FIT Manager on K-FIT's behalf. In addition, the investment committee reviews and determines whether to make prospective investments identified by the K-FIT Manager and monitors the performance of K-FIT's investment portfolio. The day-to-day management of investments approved by the investment committees will be overseen by investment personnel.

K-FIT Leverage

K-FIT intends to and does employ leverage to enhance its returns subject to leverage limitations applicable under the 1940 Act, which generally require it to maintain 150% asset coverage for its debt after incurring new indebtedness. K-FIT uses leverage in the form of borrowings, including loans from certain financial institutions and the issuance of debt. It may also (and currently does) use leverage in the form of the issuance of preferred shares and may also incur leverage through using reverse repurchase agreements, derivatives such as credit default swaps and similar transactions. Any leverage incurred by K-FIT will not be taken into account in determining compliance by KIT with the Leverage Limit or leverage disclosures by KIT pursuant to the AIFMD Level 2 Regulation.

Distributions and Share Repurchases by K-FIT; Impact on KIT Distributions and Share Redemptions

As KKR expects that a significant portion of the assets of KIT will be invested at any given time in shares of K-FIT, investors should note that the ability of KIT to make distributions as described in Section III, "*Share Class Information*" of this Memorandum, meet redemption requests and make payments of redemption proceeds in a timely manner shall generally be dependent in large part on the receipt of

distributions and repurchase proceeds by KIT in respect of such shares.

It is expected that K-FIT will pay regular monthly distributions to holders of its common shares commencing with the quarter that ended September 30, 2023. It is also expected that K-FIT will implement a share repurchase program pursuant to which it will offer to repurchase in each calendar quarter up to 5% of its common shares as of the end of the prior calendar quarter. It is generally therefore expected that the liquidity profile of K-FIT will be consistent with KIT's and will facilitate monthly distributions and quarterly redemptions of Shares by KIT as described in this Memorandum. Investors should note however that, K-FIT is not an open-end fund and KIT will therefore, along with other investors in K-FIT, be dependent on the K-FIT Board declaring distributions and implementing a share repurchase program (which may be suspended at any time) in respect of K-FIT shares in order to realize their investments. Investors should also note that KIT will not (a) tender for repurchase in a quarterly share repurchase by K-FIT or (b) sell in a secondary sale more than 4.99% of its shares in K-FIT, except upon 61 days' prior notice to K-FIT.

As noted above, the K-FIT Board is comprised of a majority of Trustees that are unaffiliated with KKR. Accordingly, none of the General Partner, the AIFM, the Investment Manager or their Affiliates are in a position to control any decision of the K-FIT Board to materially limit or otherwise suspend distributions of net investment income or repurchases of shares, by the K-FIT Board taking into account, among other things, the liquidity profile of K-FIT's portfolio, related market circumstances, the best interests of K-FIT and its investors (and not solely of KIT) and its determination to cause K-FIT to comply with requirements applicable to a RIC, which generally require K-FIT to distribute at least 90% of its annual taxable income (*see* Section X, "Regulatory and Tax Considerations — Certain U.S. Federal Income Tax Considerations — *Non-U.S. Holders of Shares in the Sub-Fund — Taxation of K-FIT as a RIC*" above). Any such event during any period could materially adversely impact the ability of KIT to meet outstanding Redemption Requests or make any periodic distributions of net investment income and could result in the application of the redemption limitation or suspension of redemptions discussed above.

Distributions and payment by K-FIT for repurchased K-FIT shares may require K-FIT to liquidate portfolio holdings earlier than the K-FIT Manager would otherwise have caused these holdings to be liquidated, potentially resulting in losses, may increase K-FIT's investment-related expenses as a result of higher portfolio turnover rates and may reduce liquidity within K-FIT's portfolio, including to fund future repurchases of K-FIT shares or future cash distributions to shareholders, including KIT.

Costs and Expenses Relating to KIT's Investment in K-FIT

The K-FIT Manager is entitled to a base management fee and an incentive fee from K-FIT in respect of its investment management services calculated in a manner consistent with the calculation of the Management Fee and Incentive Fee described above. The K-FIT Manager has agreed to waive the base management fee and the incentive fee on income payable by K-FIT through March 31, 2025.

All or any part of the K-FIT Manager's base management fee not taken as to any quarter will be deferred without interest and may be taken in such other quarter as the K-FIT Manager determines. For the avoidance of doubt, no base management fee shall be paid to the K-FIT Manager for any period occurring prior to the date of K-FIT's filing of its election to be regulated as a BDC under the 1940 Act.

KIT will be required to pay or otherwise bear management fees, incentive fees or other incentive compensation paid to the K-FIT Manager or its Affiliates by K-FIT subject to such offset or sharing arrangements as are described herein. KIT will also indirectly bear other expenses of K-FIT, including all investment related expenses and expenses paid to Affiliates of the Investment Manager, formation expenses, administrative expenses and other operating expenses.

Such costs and expenses will include those substantially similar to the Sub-Fund Expenses as applicable to K-FIT and its activities, as well as fees and expenses of K-FIT Trustees not also serving in an executive officer capacity for K-FIT or the K-FIT Manager, all costs of registration and listing K-FIT's common shares or other securities on any securities exchange (if applicable) and an allocable portion of the compensation and related expenses of certain personnel of KKR Credit and FS Investments providing administrative services to K-FIT on behalf of the K-FIT Manager. The K-FIT Manager allocates the costs and expenses of such services to K-FIT based on factors such as total assets, revenues, time allocations and/or other reasonable metrics which expense allocation methodology is reviewed by the K-FIT Board. The K-FIT Manager has entered into certain expense support arrangements with K-FIT pursuant to which it may pay certain expenses of K-FIT subject to future priority reimbursement out of available cash

(based on an agreed methodology). Such arrangement may be terminated at any time by either K-FIT or the K-FIT Manager.

K-FIT Shareholder Activism

K-FIT's business and operations could be negatively affected if it becomes subject to shareholder activism, which could cause it to incur significant expense, hinder the execution of its investment strategy or impact its share price.

Shareholder activism, which could take many forms, including making public demands that K-FIT considers certain strategic alternatives, engaging in public campaigns to attempt to influence K-FIT's corporate governance and/or management and commencing proxy contests to attempt to elect the activists' representatives or others to the K-FIT Board, or arise in a variety of situations, has been increasing in the BDC space recently. K-FIT may in the future become the target of shareholder activism, which could result in substantial costs and divert the K-FIT management's and the K-FIT Board's attention and resources from its business. Additionally, such shareholder activism could give rise to perceived uncertainties as to its future and adversely affect its relationships with service providers and portfolio companies. Also, K-FIT may be required to incur significant legal and other expenses related to any activist shareholder matters. Further, the valuation of the K-FIT common shares could be subject to significant fluctuation or otherwise be adversely affected by the events, risks and uncertainties of any shareholder activism. Such developments could adversely impact the Sub-Fund's interest in K-FIT.

Uncertainty of Future Sources for Funding Future Capital Needs

It is intended that K-FIT uses the net proceeds from its offering to (1) make investments in accordance with its investment strategy and policies, (2) reduce borrowings and repay indebtedness incurred under various financing agreements it may enter into, (3) fund repurchases under its share repurchase program and (4) for general corporate purposes, including paying operating expenses and other various fees and expenses such as base management fees and incentive fees. Any working capital reserves it maintains may not be sufficient for investment purposes, and it may require debt or additional equity financing in the future to operate. It may also need to access the capital markets to refinance debt obligations to the extent maturing obligations are not repaid with cash flows from operations. In order to maintain RIC tax treatment, K-FIT must distribute distributions to its shareholders each tax year on a timely basis generally of an amount at least equal to 90% of its investment company taxable income, determined without regard to any deduction for distributions paid, and the amounts of such distributions will therefore not be available to fund investment originations or to repay maturing debt. In addition, with certain limited exceptions, K-FIT is only allowed to borrow amounts or issue debt securities or preferred stock, which it refers to collectively as "senior securities", such that its asset coverage, as calculated pursuant to the 1940 Act, equals at least 150% immediately after such borrowing, which, in certain circumstances, may restrict its ability to borrow or issue debt securities or preferred stock. In the event that K-FIT develops a need for additional capital in the future for investments or for any other reason, and it cannot obtain debt or equity financing on acceptable terms, or at all, its ability to acquire investments and to expand its operations will be adversely affected. As a result, K-FIT would be less able to allocate its portfolio among various issuers and industries and achieve its investment objectives, which may negatively impact its results of operations and reduce its ability to make distributions to shareholders (including the Sub-Fund).

Qualifying Assets

Under the 1940 Act, a BDC may not acquire any asset other than assets of the type listed in Section 55(a) of the 1940 Act, which are referred to as qualifying assets, unless, at the time the acquisition is made, qualifying assets represent at least 70% of the company's total assets. In light of this, K-FIT generally may invest only up to 30% of its portfolio in entities that are not considered "eligible portfolio companies" under the 1940 Act, including companies located outside of the United States, entities that are operating pursuant to certain exceptions under the 1940 Act and publicly traded entities whose public equity market capitalization exceeds the levels provided for under the 1940 Act. Pending investment in "eligible portfolio companies," K-FIT's investments can consist of cash, cash equivalents, U.S. government securities or high-quality debt securities maturing in one year or less from the time of investment, which are referred to herein, collectively, as temporary investments, so that 70% of K-FIT's assets are qualifying assets for purposes of the 1940 Act.

In order to count portfolio securities as qualifying assets for the purpose of the 70% test under the 1940 Act described above, K-FIT must either control the issuer of the securities or must offer to make available to the issuer of the securities (other than small and solvent companies described above) significant managerial assistance; except that, where K-FIT purchases such securities in conjunction with one or more other persons acting together, one of the other persons in the group may make available such managerial assistance. Making available managerial assistance means, among other things, any arrangement whereby K-FIT, through its directors, officers or employees, offers to provide, and, if accepted, does so provide, significant guidance and counsel concerning the management, operations or business objectives and policies of a portfolio company.

Therefore, K-FIT may be precluded from investing in what is believed to be attractive investments if such investments are not qualifying assets. Similarly, these rules could prevent K-FIT from making additional investments in existing portfolio companies, which could result in the dilution of its position, or could require K-FIT to dispose of investments at an inopportune time to comply with the 1940 Act. If K-FIT were forced to sell non-qualifying investments in the portfolio for compliance purposes, the proceeds from such sale could be significantly less than the current value of such investments. Conversely, if K-FIT fails to invest a sufficient portion of its assets in qualifying assets, it could lose its status as a BDC, which would subject it to substantially more regulatory restrictions and significantly decrease its operating flexibility.

Ability to Raise Capital or Borrow Funds

As a result of the Annual Distribution Requirement to qualify as a RIC, K-FIT may need to periodically access the capital markets to raise cash to fund new investments. K-FIT may issue "senior securities", as defined under the 1940 Act, including issuing preferred stock, borrowing money from banks or other financial institutions or issuing debt securities only in amounts such that its asset coverage meets the threshold set forth in the 1940 Act immediately after each such issuance. The 1940 Act currently requires an asset coverage of at least 150% (i.e., the amount of debt may not exceed two-thirds of the value of K-FIT's assets). The ability of K-FIT to issue different types of securities is also limited. Compliance with these requirements may unfavourably limit its investment opportunities and reduce its ability in comparison to other companies to profit from favourable spreads between the rates at which K-FIT can borrow and the rates at which it can lend. As a BDC, therefore, it is intended that K-FIT continuously issues equity at a rate more frequent than its privately-owned competitors, which may lead to greater shareholder dilution.

K-FIT is expected to borrow for investment purposes. If the value of its assets declines, it may be unable to satisfy the asset coverage test under the 1940 Act, which would prohibit it from paying distributions and could prevent it from qualifying or maintaining its qualification as a RIC. If K-FIT cannot satisfy the asset coverage test, it may be required to sell a portion of its investments and, depending on the nature of its debt financing, repay a portion of its indebtedness at a time when such sales may be disadvantageous.

Affiliate Transactions

K-FIT is prohibited under the 1940 Act from participating in certain transactions with certain of its Affiliates without the prior approval of a majority of the independent members of the K-FIT Board. Any person that owns, directly or indirectly, 5% or more of the outstanding voting securities in K-FIT will be its Affiliate for purposes of the 1940 Act, and K-FIT will generally be prohibited from buying or selling any securities from or to such Affiliate, absent the prior approval of the K-FIT Board. The 1940 Act also prohibits certain "joint" transactions with certain of K-FIT's Affiliates, which could include investments in the same portfolio company (whether at the same or different times), without prior approval of a majority of the independent members of the K-FIT Board. The Co-Investment Exemptive Order from the SEC will permit K-FIT, subject to the satisfaction of certain conditions, to co-invest in certain privately negotiated investment transactions, including investments originated and directly negotiated by the K-FIT Manager or KKR Credit, with the co-investment Affiliates of K-FIT. If a person acquires more than 25% of voting securities in K-FIT, K-FIT will be prohibited from buying or selling any security from or to such person or certain of that person's Affiliates, or entering into prohibited joint transactions with such persons to the extent not covered by the exemptive relief, absent the prior approval of the SEC. Similar restrictions limit the ability of K-FIT to transact business with its officers or Trustees or their respective Affiliates. As a result of these restrictions, K-FIT may be prohibited from buying or selling any security from or to any portfolio company of a fund managed by the K-FIT Manager without the prior approval of the SEC, which may limit the scope of investment opportunities that would otherwise be available to K-FIT.

Non-Diversified Investment Company

K-FIT is classified as a non-diversified investment company within the meaning of the 1940 Act, which means that it is not limited by the 1940 Act with respect to the proportion of its assets that it may invest in securities of a single issuer. Under the 1940 Act, a "diversified" investment company is required to invest at least 75% of the value of its total assets in cash and cash items, government securities, securities of other investment companies and other securities limited in respect of any one issuer to an amount not greater than 5% of the value of the total assets of such company and no more than 10% of the outstanding voting securities of such issuer. As a non-diversified investment company, K-FIT is not subject to this requirement. To the extent that K-FIT assumes large positions in the securities of a small number of issuers, or within a particular industry, its net asset value may fluctuate to a greater extent than that of a diversified investment company as a result of changes in the financial condition or the market's assessment of the issuer. It may also be more susceptible to any single economic or regulatory occurrence than a diversified investment company or to a general downturn in the economy. However, it will be subject to the sources of income, asset diversification and minimum distribution requirements applicable to RICs under Subchapter M of the Code.

ERISA Considerations

Unless an exception applies, if 25% or more of any class of equity interest in the Sub-Fund is owned, directly or indirectly, by pension or other employee benefit plans, the assets of the Sub-Fund will be

deemed to be "plan assets" subject to the constraints of ERISA and Section 4975 of the Code. If this happens, transactions involving assets of the Sub-Fund could be subject to the fiduciary responsibility rules of ERISA and to the prohibited transactions provisions of Section 4975 of the Code and, in certain instances, the fiduciary of a pension or benefit plan which is responsible for the plan's investment in the Shares could be liable for any ERISA violations by the General Partner.

The General Partner intends to use commercially reasonable efforts to avoid having the assets of the Sub-Fund constitute "plan assets" of any plan subject to Title I of ERISA or Section 4975 of the Code (each, a "Plan"). Under this Memorandum, the General Partner will have the power to take certain actions to avoid having the assets of the Sub-Fund characterized as "plan assets," including, without limitation, the right to cause a Shareholder that is a Plan to withdraw from the Sub-Fund or to transfer its Shares in the Sub-Fund.

Risks from Provision of Managerial Assistance

The Sub-Fund could obtain rights to substantially participate in or influence the conduct of the management of a number of the Sub-Fund's Portfolio Companies and other issuers in which it invests. The Sub-Fund or its subsidiaries could designate a director to serve on the board of directors of an issuer as to which the Sub-Fund obtains such rights. The designation of directors and other measures contemplated could expose the assets of the Sub-Fund to claims by a Portfolio Company, its equity holders and its creditors. While the General Partner intends to reduce exposure to these risks to the extent practicable, the possibility of successful claims cannot be precluded. KKR employees and Affiliates could serve on the board of directors of one or more of the Sub-Fund's Portfolio Companies and other issuers in which it invests. Serving in such capacity could give rise to conflicts to the extent that an employee's fiduciary duties to an issuer as a director conflict with the interests of the Sub-Fund.

In addition, the provision of managerial assistance to a Portfolio Company could result in the Sub-Fund being characterized as "a trade or business" for purposes of ERISA controlled group liability, and, in the event that the Sub-Fund has a significant ownership interest (generally 80% or more) in such Portfolio Company, there is a potential risk that the Sub-Fund and such Portfolio Company could be subject to controlled group liability under ERISA. As a result, such Portfolio Companies and the Sub-Fund could be held jointly responsible for certain employee benefit obligations or liabilities under ERISA, including funding obligations to single-employer pension plans and withdrawal liability from union-sponsored multi-employer pension plans, particularly if the ownership interests of parallel funds and/or related funds or vehicles are required to be aggregated when applying the controlled group ownership tests. Certain U.S. federal court decisions relating to the controlled group ownership tests, notably Sun Capital Partners v. New England Teamsters and Trucking Industry Pension Fund, indicate that there is a risk that courts could conclude that controlled groups exist with respect to such structures.

Tax Considerations

General Tax Considerations

An investment in the Sub-Fund involves complex tax considerations that will differ for each Shareholder depending on the investor's particular circumstances. There can be no assurance that the structure of the Sub-Fund or of any investment will be tax-efficient for any particular investor. There could be changes in tax laws or interpretations of such tax laws that have an adverse effect with respect to the Sub-Fund or its Shareholders. Prospective investors are urged to consult their own tax advisors with reference to their specific tax situations (*see also* Section X, "*Regulatory and Tax Considerations*" of this Memorandum).

In addition, unforeseen taxation with respect to the Sub-Fund or the Shareholders could arise in any jurisdiction in which the Sub-Fund or any of its subsidiaries operates, is managed, is advised, is promoted or invests. In addition, taxes incurred in such jurisdictions with respect to the Sub-Fund or its subsidiaries could not be creditable or deductible in respect of the Sub-Fund, its subsidiaries or the Shareholders in their respective jurisdictions. While it is intended that the activities of the Sub-Fund, any affiliated provider of services and any advisory office should not create a permanent establishment or other form of taxable presence of the Sub-Fund or any of its subsidiaries in any jurisdiction in which the Sub-Fund or any of its subsidiaries, or any service provider or any advisory office, operates or invests, there is a risk that the relevant tax authorities in one or more of such jurisdictions could take a contrary view. If a permanent establishment or other such presence in any such jurisdiction is held to exist with respect to the Sub-Fund or any of its subsidiaries, significant taxation in such jurisdiction could be imposed with respect to the Sub-Fund, such subsidiary or the Shareholders. Changes to taxation treaties or

interpretations of taxation treaties between one or more such jurisdictions and countries through which the Sub-Fund or any of its subsidiaries holds investments or in which a Shareholder is resident could adversely affect the Sub-Fund's ability efficiently to realize income or capital gains. Consequently, it is possible that the unfavourable tax treatment in such jurisdictions will apply in respect of the Sub-Fund or its subsidiaries, which could materially adversely affect the value of the Sub-Fund's investments or the feasibility of making investments in certain countries.

Certain Tax Positions the Sub-Fund Has Taken Could Be Successfully Challenged

The Sub-Fund could take positions with respect to certain tax issues which depend on legal conclusions not yet resolved by the applicable tax authorities or the courts. Should any such positions be successfully challenged by an applicable taxing authority, there could be a material adverse effect on the Sub-Fund or investors in the Sub-Fund. An audit of a tax return of the Sub-Fund for any given year could result in an adjustment to the tax liability of the Sub-Fund for the year in question. Such an audit could result in the audit of the tax return of an investor and could result in the adjustment of items not related to the Sub-Fund as well as items related to the Sub-Fund. The cost of an audit, if any, at the Sub-Fund level will be borne by the Sub-Fund. However, the cost of any resulting audits of an investor will be borne solely by the affected investor.

Investment Structures

Changes in tax laws or their interpretation could lead to an increase in the tax liabilities of the Sub-Fund or its subsidiaries and could affect the intended tax treatment of investments. Payments with respect to the Sub-Fund's investments in certain jurisdictions may be subject to withholding taxes and in some cases such withholding taxes may be greater than if the Partners held such investments directly. Although the Sub-Fund may where possible make its investments in a way that minimizes or eliminates withholding taxes where relevant, there can be no guarantee that these strategies will be successful. The Sub-Fund and its subsidiaries likely will hold some or all investments through intermediary holding companies and/or asset holding companies (the "**Asset Companies**"). Tax laws could change or be subject to differing interpretations, possibly with retroactive effect, or the relevant tax authority could take a different view, so that the tax consequences of a particular investment or Asset Company structure could change after the investment has been made or the Asset Company has been established with the result that assets held by Asset Companies could be subject to withholding taxes or the Asset Companies themselves could become liable to tax, in each case resulting in the after-tax returns of the Sub-Fund being reduced.

Base Erosion and Profit Sharing

In particular, pursuant to the OECD BEPS project, individual jurisdictions are introducing domestic legislation implementing certain of the BEPS actions. Several of the areas of tax law (including double taxation treaties) on which the BEPS project is focusing are relevant to the ability of the Sub-Fund to efficiently realize income or capital gains and to efficiently repatriate income and capital gains from the jurisdictions in which they arise to investors and, depending on the extent to and manner in which relevant jurisdictions implement changes in those areas of tax law (including double taxation treaties), the ability of the Sub-Fund to do those things may be adversely impacted. The Sub-Fund is permitted to make investments in jurisdictions that have indicated that they would implement the OECD's Multilateral Instrument (as defined by the OECD). Such instrument may amend the terms of existing bilateral tax treaties between signatory countries and introduce enhanced anti-abuse provisions. There remains significant uncertainty as to whether and to what extent the Sub-Fund or its subsidiaries may benefit from protections otherwise afforded by such treaties and whether the Sub-Fund may look to its investors in order to derive tax treaty or other benefits.

MLI

On November 24, 2016, the OECD published the text of the Multilateral Convention to Implement Tax Treaty Related Measures to Prevent BEPS (the "**MLI**"), to expedite the interaction of the tax treaty changes of the BEPS project. Such instrument amends the terms of existing bilateral tax treaties between signatory countries and introduce enhanced anti-abuse provisions. The MLI entered into force on July 1, 2018 and has been signed by 100 jurisdictions, yet some of the domestic ratification procedures are still being finalized. With respect to Luxembourg, the MLI was approved by the law of March 7, 2019, the instruments of approval were deposited with the OECD on April 9, 2019 and the MLI entered into force on August 1, 2019. The entry into effect of the provisions of the MLI will depend on the timing of the ratification process of the other participating jurisdictions. The Sub-Fund is permitted to make

investments in jurisdictions that have indicated that they would implement the OECD's Multilateral Instrument (as defined by the OECD). There remains significant uncertainty as to whether and to what extent the Sub-Fund or its subsidiaries may benefit from protections otherwise afforded by such treaties and whether the Sub-Fund may look to its investors in order to derive tax treaty or other benefits.

Anti-Tax Avoidance Directives

In addition, in July 2016, the EU adopted the ATAD I, which directly implements some of the BEPS Project action points within EU law followed on May 29, 2017, by the Council Directive amending Directive (EU) 2016/1164 as regards hybrid mismatches with third countries (commonly referred to as "**ATAD II**"). ATAD II came into force in member states on January 1, 2020 (subject to relevant derogations, and in particular the reverse hybrid mismatch rules which entered into force from fiscal year 2022).

ATAD III; Pillar I and II

On December 22, 2021, the EU Commission proposed a new directive aiming at preventing the misuse of so-called "shell" entities for tax purposes within the EU (commonly referred to as the "**ATAD III Proposal**" or "**Unshell**"). Under the current draft of the directive, if an undertaking passes certain gateways indicative of its "shell" nature and does not fulfil certain minimum substance requirements, such undertaking may no longer benefit from double tax treaties or the EU interest and royalty or parent-subsidiary directives. On January 17, 2023, the European Parliament approved the European Commission's draft directive for preventing the misuse of shell entities for tax purposes as amended by the Committee on Economic and Monetary Affairs. The ATAD III Proposal is currently scheduled to come into effect as of January 1, 2025. It is currently foreseen that the reporting obligations will be based on the operational set up of the undertaking during one or two years preceding the year of reporting, therefore at the time of effect, 2023/2024 may already be a point of reference. The ATAD III Proposal must now be submitted to the Council of the EU for examination and (unanimous) vote for adoption. While there remains considerable uncertainty surrounding the development of the proposal and potential amendments, these rules (if applicable) may have an impact on how returns are taxed and may decrease the amounts available to investors.

Further to Action 1 of the BEPS project, the OECD published blueprints (commonly referred to as "**BEPS 2.0**"), divided into two "pillars" of issues, seeking to address tax challenges arising from digitalization of the economy, and proposing fundamental changes to the international tax system. Pillar One proposes the reallocation of taxing rights between jurisdictions, and Pillar Two additional global anti-base erosion rules. On December 20, 2021, the OECD published detailed rules to assist in the implementation of Pillar Two. On December 14, 2022, the Council of the EU adopted a directive to implement Pillar Two at EU level to be transposed into member states' national law by the end of 2023. On July 28, 2023, the Luxembourg Council of Ministers adopted a bill transposing the EU Directive on global minimum tax into the country's domestic tax law ("**BEPS 2.0 Bill**"). The BEPS 2.0 Bill needs to be approved by the Luxembourg parliament following the legislative process. The implementation of the foregoing laws and regulations (the full extent of which is not yet known) could have a material and adverse effect on the Sub-Fund, its operations and its subsidiaries.

DEBRA

On May 11, 2022, the EU Commission proposed a new directive aiming at reducing the disparity in treatment between debt and equity financing by proposing a tax-deductible allowance for increases in equity investments (commonly referred to as the "**DEBRA Proposal**"). The DEBRA Proposal provides additional interest limitation rules allowing the deduction of exceeding borrowing costs only up to 85%. However, the DEBRA Proposal provides that certain financial undertakings are out of scope. The DEBRA Proposal was scheduled to be implemented by December 31, 2023, and to come into effect as of January 1, 2024.

However, on December 6, 2022, it was announced by the EU Council that the DEBRA Proposal "will be suspended and, if appropriate, would be reassessed within a broader context only after other proposals in the area of corporate income taxation announced by the Commission have been put forward".

The implementation of the foregoing laws and regulations (the full extent of which is not yet known) could have a material and adverse effect on the Fund, its operations and its subsidiaries.

BEFIT

The Business in Europe: Framework for Income Taxation ("**BEFIT**") is a European Commission proposal for a directive published on September 12, 2023, intended to produce a comprehensive solution for business taxation in the EU. BEFIT aims to introduce a common set of rules for certain targeted EU companies to calculate their taxable base while ensuring a more effective allocation of profits between EU countries. BEFIT has the potential to alter taxing rights with the EU, and may include substantive changes to applicable tax rules. The BEFIT proposal must now be submitted to the Council of the EU for examination and (unanimous) vote for adoption. *Provided that* the EEA member states reach an agreement, the BEFIT directive should be transposed by the EEA member states into domestic law by January 1, 2028, and apply from July 1, 2028.

KKR Activities

Misconduct of Employees and of Third-Party Service Providers

In recent years, there have been a number of highly publicized cases involving fraud, conflicts of interest or other misconduct by individuals in the financial services industry. Misconduct by employees of the AIFM or the Investment Manager or by third-party service providers, or even unsubstantiated allegations of such misconduct, could cause significant losses to the Sub-Fund. Employee misconduct could include binding the Sub-Fund to transactions that exceed authorised limits or present unacceptable risks and unauthorised investment activities or concealing unsuccessful investment activities (which, in either case, could result in unknown and unmanaged risks or losses). Losses could also result from actions by third-party service providers, including, without limitation, failing to recognize trades and misappropriating assets. In addition, employees and third-party service providers could improperly use or disclose confidential information, which could result in litigation or serious financial harm, including limiting the Sub-Fund's business prospects or future marketing activities. It is not always possible to deter such misconduct and the precautions the AIFM or the Investment Manager takes to detect and prevent such conduct could not be effective in all cases. No assurances can be given that the due diligence performed by the AIFM or the Investment Manager will identify or prevent any such misconduct.

No Independent Advice

The terms of the agreements and arrangements under which the Sub-Fund is established and will be operated have been or will be established by the AIFM and/or the General Partner and are not the result of arm's length negotiations or representations of the Shareholders by separate counsel. Prospective investors should therefore seek their own legal, tax and financial advice before making an investment in the Sub-Fund.

Cybersecurity Risks including Business Disruption and Information Security Risks

The Sub-Fund, its Portfolio Companies, the General Partner, the AIFM, the Investment Manager, their Affiliates and their service providers are subject to risks associated with a breach in cybersecurity, including business disruption and information security risks. A business disruption or outage could be caused by various events including pandemics, natural catastrophes, systems outages or a cybersecurity attack (*see also* "*— Force Majeure*" and "*— Pandemics, Epidemics, and Other Public Health Crises*" above). Cybersecurity is a generic term used to describe the technology, processes and practices designed to protect networks, systems, computers, programs and data from both intentional cyber-attacks and hacking by other computer users, as well as unintentional damage or interruption that, in either case, can result in damage and disruption to hardware and software systems, loss or corruption of data and/or misappropriation of confidential information. Cybersecurity attacks are increasing in frequency and severity and include, but are not limited to, malicious software, attempts to gain unauthorised access to data, distributed denial of service attacks, ransomware attacks and other electronic security breaches that could lead to disruptions in critical systems, unauthorised or unintended release of confidential or otherwise protected information, including, without limitation, information regarding the Shareholders and the Sub-Fund's investment activities, and corruption of data. In particular, ransomware attacks are evolving and typically carried out via a form of malicious software designed to encrypt the files on and/or block access to the information system until the demanded ransom is paid, resulting in significant business disruption, financial losses (including potentially ransom payments and/or costs and expenses associated with engaging decryption specialists), reputational costs and loss of data. Portfolio companies of private funds such as the Sub-Fund, broker-dealers, investment advisers, investment companies and service providers to such entities are especially vulnerable to ransomware attacks because they are seen as

attractive targets that are more willing to pay the demanded ransom. Private fund managers who disclose information about their senior management executives in routine public filings, which is the case with respect to KKR, could also be targeted. The damage or interruptions to information technology systems could cause losses to the Sub-Fund or Shareholders, without limitation, by interfering with the processing and completion of transactions, affecting the Sub-Fund's ability to conduct valuations or impeding or sabotaging trading. The Sub-Fund could also incur substantial costs as the result of a cybersecurity breach, including those associated with forensic analysis of the origin and scope of the breach, increased and upgraded cybersecurity, identity theft, unauthorised use of proprietary information, litigation, regulatory fines/penalties, adverse investor reaction, the dissemination of confidential and proprietary information and reputational damage. Any such breach could expose the Sub-Fund and the General Partner to civil liability as well as regulatory inquiry and/or action. The SEC's Office of Compliance Inspections and Examinations has issued risk alerts regarding cybersecurity and the prevention of ransomware attacks, which remain one of its key examination priorities. Shareholders could also be exposed to losses resulting from unauthorised use or dissemination of their personal information. KKR does not control the cybersecurity systems put in place by third-party service providers, which could have limited indemnification obligations to KKR, the Sub-Fund or any Portfolio Company of the Sub-Fund, each of whom could be negatively impacted as a result.

The Sub-Fund, the General Partner and their Affiliates rely extensively on computer programs and systems (and likely will rely on new systems and technology in the future) for various purposes, including trading, clearing and settling transactions, evaluating certain investments, monitoring its portfolio and net capital and generating risk management and other reports that are critical to oversight of Sub-Fund activities. Certain of the Sub-Fund's, the General Partner's, the AIFM's and the Investment Manager's operations will be dependent upon systems operated by third parties, including prime-broker(s), administrators, market counterparties and their sub-custodians and other service providers. The Sub-Fund's service providers also depend on information technology systems and, notwithstanding the diligence that the Sub-Fund performs on its service providers, the Sub-Fund could not be in a position to verify the risks or reliability of such information technology systems. The failure, corruption or breach of one or more systems (including as a result of the occurrence of a disaster such as a cyber-attack, a natural catastrophe, an industrial accident, a terrorist attack or war, events unanticipated in the AIFM's or the Investment Manager's disaster recovery systems, or a support failure from external providers) or the inability of such systems to satisfy an investor's needs, including the execution of relevant transactions, could have a negative effect on the AIFM's or the Investment Manager's ability to conduct business and thus, the Sub-Fund, particularly if those events affect the AIFM's or the Investment Manager's computer-based data processing, transmission, storage and retrieval systems or destroy the AIFM's or the Investment Manager's data. If a significant number of the AIFM's or the Investment Manager's personnel were to be unavailable in the event of a disaster or other event, the AIFM's or the Investment Manager's ability to effectively conduct the Sub-Fund's business could be severely compromised. The Sub-Fund's controls and procedures, business continuity systems, and data security systems could prove to be inadequate. These problems could arise in the Sub-Fund's internally developed systems and the systems of third-party service providers.

Information and technology systems of the AIFM or the Investment Manager and their Affiliates (in addition to those of the issuers of the Sub-Fund's investments) could otherwise be vulnerable to damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorised persons and security breaches, usage errors by their respective professionals, power outages and catastrophic events such as fires, tornadoes, floods, hurricanes and earthquakes. Although each of the AIFM and the Investment Manager has implemented (and issuers of the Sub-Fund's investments will likely implement) various measures to manage risks relating to these types of events, if these systems are compromised, become inoperable for extended periods of time or cease to function properly, the AIFM, the Investment Manager, the Sub-Fund and/or issuers of the Sub-Fund's investments could have to make a significant investment to fix or replace them. The failure of these systems and/or of disaster recovery plans for any reason could cause significant interruptions in the operations of the AIFM, the Investment Manager, the Sub-Fund and/or issuers of the Sub-Fund's investments and result in a failure to maintain the security, confidentiality or privacy of sensitive data, including personal information relating to investors (and the beneficial owners of investors). Such a failure could harm the reputation of the AIFM, the Investment Manager, the Sub-Fund and/or issuers of the Sub-Fund's investments, subject any such entity and their respective Affiliates to legal claims and otherwise affect their business and financial performance.

Information Security and Data Privacy Risk

Legal requirements relating to the collection, storage, handling and transfer of personal data continue to develop. The Sub-Fund and/or the AIFM and the Investment Manager could be directly or indirectly subject to the requirements of the General Data Protection Regulation (Regulation (EU) 2016/679) ("**GDPR**"), which came into effect in the EU in May 2018. GDPR has direct effect in all 28 member states of the EU and has extraterritorial effect where non-EU persons such as the Investment Manager, the Sub-Fund or their respective service providers process personal data in relation to the offering of goods and services to individuals in the EU or the monitoring of the behaviour of individuals in the EU.

GDPR imposes a number of obligations on data controllers and rights for data subjects, including, among others: (i) accountability and transparency requirements, which will require controllers to demonstrate and record compliance with GDPR and to provide more detailed information to data subjects regarding processing; (ii) enhanced requirements for obtaining valid consent; (iii) obligations to consider data protection as any new products or services are developed and to limit the amount of personal data processed; (iv) obligations to comply with data protection rights of data subjects; and (v) reporting of personal data breaches to the supervisory authority without undue delay (and no later than 72 hours where feasible).

GDPR also introduces fines for serious breaches of up to the higher of 4% of annual worldwide turnover or €20,000,000. Data subjects also have a right to compensation for financial or non-financial losses (e.g., distress). While the Sub-Fund, the General Partner, the AIFM and the Investment Manager intend to comply with their privacy and data protection obligations under GDPR and other applicable laws, it is possible that they will not be able to accurately anticipate the ways in which regulators and courts will apply or interpret the law. There is a risk that the measures taken to comply with GDPR will not be implemented correctly or that individuals within the business will not be fully compliant with the new procedures. If there are breaches of these measures, the Sub-Fund, the AIFM and the Investment Manager and their respective Affiliates (as relevant) could face significant administrative and monetary sanctions as well as reputational damage which could have a material adverse effect on the operations, financial condition and prospects of the Sub-Fund, and if privacy or data protection laws are implemented, interpreted or applied in a manner inconsistent with KKR's expectations, that could result in business practices changing in a manner that adversely impacts the Sub-Fund. Moreover, if the Sub-Fund, the General Partner, the AIFM or the Investment Manager suffer a security breach impacting personal data, there could be obligations to notify government authorities or stakeholders, which could divert the AIFM or the Investment Manager's time and effort and entail substantial expense.

The GDPR has been implemented into laws enforceable in the UK by the Data Protection Act 2018. As noted in "— *Changes Resulting from the United Kingdom's Exit from the European Union*" above, the UK's future relationship with the EU remains unclear and the UK could be deemed a "third country" for the purposes of EU data protection law. This means that additional mechanisms could be required to be put in place to legitimize transfers of personal data from the EEA to the UK Brexit could, therefore, lead to an increase in data protection compliance costs for any Portfolio Companies and other issuers that have operations in the UK and the EU. Prospective investors are urged to consult their own advisers regarding an investment in the Sub-Fund.

Combination or "Layering" of Multiple Risk Factors

Although the various risks discussed herein are generally described separately, prospective investors should consider the potential effects of the interplay of multiple risk factors. Where more than one significant risk factor is present, the risk of loss to an investor could be significantly increased.

Certain Social Media Risks

The use of social networks such as Facebook, Twitter and Instagram, message boards such as Reddit and other internet channels has become widespread within the U.S. and globally. As a result, individuals now have the ability to rapidly and broadly disseminate information or misinformation without relying on traditional media intermediaries. Information often spreads rapidly across large segments of the U.S. and global population, frequently without any independent verification as to its accuracy, which has led to the spread of misinformation in many cases. The spread of information or misinformation regarding KKR, the Sub-Fund, the Sub-Fund's Portfolio Companies or their respective Affiliates could result in material and adverse effects on any of the foregoing. Furthermore, certain administrators of or other service providers to social networks, message boards, app stores, websites and other internet outlets have taken actions to ban, block, verify or censor the content disseminated on their networks. Such actions, or

similar actions taken by government regulators or courts, could negatively affect KKR, the Sub-Fund, the Sub-Fund's Portfolio Companies or their respective Affiliates (e.g., if a Portfolio Company were to face public backlash or regulatory penalties for taking such actions, or if a Portfolio Company were itself the subject of such a ban).

Mission-Oriented Investing

Without qualifying its investment strategy, the Sub-Fund could take into account environmental and social policies of companies and other issuers when making decisions regarding the selection of the Sub-Fund's investments. The Sub-Fund could pursue investment opportunities where the underlying Portfolio Companies or other issuers do not currently have a positive environmental or social impact, but the Sub-Fund believes that a more positive environmental or social impact can be created.

The Sub-Fund could invest or otherwise pursue courses of action that are not in the short-term operating or financial interests of the Sub-Fund, but aim to help promote environmental and social outcomes. For example, the Sub-Fund could invest in Portfolio Companies and other issuers that have a lower expected financial return because of its environmental and social impact. Similarly, taking into account environmental and social policies could involve higher compliance expenses or costs. Nonetheless, KKR believes that socially responsible investing has the potential to enhance the long-term value of Portfolio Companies and other issuers and is an important element of responsible investing.

The Sub-Fund could also invest in certain companies that seek to address environmental and social problems at the time of the Sub-Fund's investments but later cease to do so. As a result, there can be no assurance that the Sub-Fund's Portfolio Companies and other issuers will achieve successful economic, environmental or social outcomes. There are no universally accepted standards applicable to mission-oriented investments and not all Shareholders are likely to agree on the appropriate standards to apply in a particular situation.

Environmental Risks

The Sub-Fund could be exposed to substantial risk of loss arising from investments involving undisclosed or unknown environmental, health or occupational safety matters. The Sub-Fund could be subject to a wide range of environmental, health and safety laws, ordinances and regulations, including those relating to the investigation, removal and remediation of past or present releases of hazardous or toxic substances. Furthermore, changes in environmental laws or regulations or the environmental condition of an investment could create liabilities that did not exist at the time of its acquisition and that might not have been foreseen. For more information on environmental risks related to the Sub-Fund's investments, *see* "*— Climate Change*" below.

Climate Change

Climate change and related regulation could result in significantly increased operating and capital costs and could reduce demand for the products and service of certain investments. The Portfolio Companies in which the Sub-Fund could acquire investments could be located in areas that are subject to climate change, and, as such, significant physical effects of climate change could have a material effect on the Sub-Fund's business and operations. Physical effects of climate change could include: increased storm intensity and severity of weather (e.g., floods or hurricanes); wildfires; sea level rise; and extreme temperatures. For example, many climate models indicate that global warming is likely to result in rising sea levels and increased frequency and severity of weather events, which could lead to higher insurance costs, or a decrease in available coverage, for investments in areas subject to severe weather. These climate-related changes could damage investments' physical infrastructure, especially operations located in low-lying areas near coasts and river banks, and facilities situated in hurricane-prone and rain-susceptible regions.

Moreover, if the evidence supporting climate change continues to grow, various regulatory agencies could enact more restrictive environmental regulations. Various laws and regulations exist or are under development that seek to regulate the emission of certain so-called greenhouse gasses ("**GHGs**") such as methane and CO_2, including the U.S. Environmental Protective Agency programs to control GHG emissions and state actions to develop state-wide or regional programs. Proposed approaches to further regulate GHG emissions include establishing GHG "cap and trade" programs, increased efficiency standards and incentives or mandates for pollution reduction, use of renewable energy sources or use of alternative fuels with lower carbon content. Adoption of any such laws or regulations could increase investments' costs to operate and maintain facilities and could require the installation of new emission

controls, acquire allowances for GHG emissions, tax payments related to GHG emissions and administration and management of a GHG emissions program. These more restrictive regulations could materially impact the revenues and expenses of the investments.

As a result of these physical impacts from climate-related events, the Sub-Fund could be vulnerable to the following: risks of damage to the Sub-Fund's investments; indirect financial and operational impacts from disruptions to the operations of the Sub-Fund's investments due to severe weather or other unforeseen climate-related events; increased insurance premiums and deductibles or a decrease in the availability of coverage for investments in areas subject to severe weather; increased insurance claims and liabilities; increase in energy cost impacting operational returns; changes in the availability or quality of water or other natural resources on which the Portfolio Companies' business depends; decreased consumer demand for Portfolio Companies' products or services resulting from physical changes associated with climate change; incorrect long-term valuation of an equity investment due to changing conditions not previously anticipated at the time of the investment; and economic disturbances arising from the foregoing.

ESG and Sustainability Risk

The AIFM, the Investment Manager and their Affiliates have adopted a responsible investment policy on the integration of sustainability risks in their investment decision-making process. Regulation (EU) 2019/2088 of the European Parliament and of the Council on sustainability-related disclosures in the financial services sector (the "**SFDR**") describes a sustainability risk as an ESG event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of an investment.

The universe of sustainability risks is very broad, and their relevance, materiality and impact on investments will depend on a number of factors such as asset location and/or sector. Depending on the circumstances, examples of sustainability risks can include but are not limited to physical environmental risks, climate change transition risks, supply chain disruptions, improper labour practices, lack of board diversity and corruption. The likely impacts of sustainability risks on the returns of the Sub-Fund will depend on the Sub-Fund's exposure to investments that are vulnerable to sustainability risks and the materiality of the sustainability risks. The negative impacts of sustainability risks on the Sub-Fund could be mitigated by the Investment Manager's approach to integrating sustainability risks in its investment decision-making. However, there is no guarantee that these measures will mitigate or prevent sustainability risks from materializing in respect of the Sub-Fund.

The likely impact on the returns of the Sub-Fund from an actual or potential material decline in the value of an investment due to an ESG event or condition will vary and depend on several factors including, but not limited to, the type, extent, complexity and duration of the event or condition, prevailing market conditions and the existence of any mitigating factors.

The ESG information used to determine whether companies are managed and behave responsibly may be provided by third-party sources and is based on backward-looking analysis. The subjective nature of non-financial ESG criteria means a wide variety of outcomes are possible. The data may not adequately address material sustainability factors. The analysis is also dependent on companies disclosing relevant data and the availability of this data can be limited.

In addition, on June 22, 2020, a regulation on the establishment of a framework to facilitate sustainable development was published in the Official Journal of the European Union (the "**Taxonomy Regulation**"). The Taxonomy Regulation sets out a framework for classifying economic activities as "environmentally sustainable" and also introduces certain mandatory disclosure and reporting requirements (which supplement those set out in the SFDR) for financial products which have an environmentally sustainable investment objective or which promote environmental characteristics. The Taxonomy Regulation took effect in full in January 2023. Compliance with the SFDR, the Taxonomy Regulation (and equivalent UK legislative or regulatory initiatives, which diverge from those in force in the EEA) will create an additional compliance burden and cost for KKR and the Sub-Fund. To the extent the Sub-Fund assesses alignment with the Taxonomy Regulation of its investments, there is a risk that the Sub-Fund will not be able to maintain alignment of a particular investment with the Taxonomy Regulation, in particular in light of the Taxonomy Regulation's stringent technical screening criteria.

XIII. POTENTIAL CONFLICTS OF INTEREST

Overview

Actual, potential or apparent conflicts of interest will arise from time to time, as a result of the relationships between the KKR Public Company and other members of the KKR Group (including, for the purposes of this "*Potential Conflicts of Interest*" section, KKR, the General Partner, the Investment Manager, the AIFM, KCM, KKR Capstone and Affiliates of the foregoing that provide general partner and/or advisory services to Other KKR Funds) and investment funds, investment vehicles and accounts, including proprietary vehicles and accounts, managed, sponsored, advised by and/or for the benefit of certain members of the KKR Group, on the one hand, and the Sub-Fund and the Shareholders, on the other. The KKR Group is a global investment management firm and, as such, the KKR Group, KKR Personnel, Senior Advisors, Executive Advisors, Industry Advisors and KKR Advisors (KKR Advisors, collectively with Senior Advisors, Executive Advisors and Industry Advisors ("**Advisors**")) have multiple advisory, transactional, financial and other interests that conflict with those of the Sub-Fund and the Shareholders. The KKR Group, KKR Personnel and Advisors and also Technical Consultants and Capstone Executives are expected in the future to engage in additional activities that result in additional conflicts of interest that are not addressed below. While the KKR Group has established procedures and policies for addressing conflicts of interest, any such conflicts and the manner in which they are addressed by the KKR Group could have an adverse effect on the Sub-Fund and the Shareholders.

The funds, investment vehicles and accounts managed by KKR (including the AIFM and Affiliates of KKR and the AIFM, but excluding for this purpose, KKR proprietary entities) whether now or following the date of this Memorandum, including funds, investment vehicles and accounts pursuing the following strategies: private equity (including growth equity, impact, and core strategies), credit (including (i) leveraged credit strategies, including leveraged loan, high-yield bond, opportunistic credit and revolving credit strategies, and (ii) alternative credit strategies, including special situations and private credit strategies such as direct lending and private opportunistic credit (or mezzanine) investment strategies), and real asset strategies (including real estate, energy and infrastructure strategies) are collectively referred to in this section as "**Other KKR Funds**." References herein to (i) the "Fund" include any sub-funds, (ii) the General Partner shall, where the context requires, be deemed to include references to the AIFM and the Investment Manager and (iii) this Memorandum shall include the AIFM Agreement and the Delegate Management Agreement, as appropriate. References herein (a) to the General Partner shall, where the context requires, be deemed to also refer to the AIFM or its delegate and (b) to the AIFM shall, where the context requires, be deemed to also refer to the Investment Manager, acting in its capacity as the delegate portfolio manager of the AIFM in respect of the Sub-Fund.

Certain activities of the KKR Group, KKR Personnel, Advisors, Technical Consultants, Capstone Executives and Other KKR Funds are expected to give rise to conflicts of interest that are relevant to the Sub-Fund and the Shareholders (for example, but without limitation, conflicts of interest relating to allocations of investment opportunities and subsequent dispositions). Form ADV Part 2A and 2B maintained by KKR Credit (US), copies of which are available upon request and will be furnished to each investor prior to its admission to the Sub-Fund, also contains further information regarding conflicts of interest relating to the KKR Group that are relevant to the Sub-Fund and Other KKR Funds. Investors are encouraged to read Form ADV Part 2A and 2B prior to investing.

The General Partner is subject to certain fiduciary and other related duties and obligations under U.S. federal securities laws and other applicable law that cannot be eliminated or modified in this Memorandum. These include an obligation to act at all times in good faith and in the interests of the Sub-Fund. Investors should note, however, that this Memorandum contains provisions that reduce, eliminate or modify certain other fiduciary and other related duties and obligations to the Sub-Fund and the Shareholders that would apply in the absence of such provisions. In particular, certain provisions of this Memorandum waive or consent to conduct on the part of the General Partner that might not otherwise be permitted in the absence of such waivers or consents, or which could limit the remedies available to Shareholders with respect to breaches of such duties and obligations. For example, this Memorandum provides that the General Partner and its Affiliates (including the AIFM and the Investment Manager, as applicable) will have no liability to the Sub-Fund and its Shareholders in respect of certain conflict of interest matters, the resolution of which has been approved by the Independent Client Representative (except to the extent prohibited or limited by law or regulation, including provisions of U.S. federal securities law and ERISA, if applicable, with respect to which rights and liabilities are not permitted to be

waived). If any matter arises that the General Partner or the AIFM determines in its good faith judgment constitutes an actual conflict of interest, the General Partner and/or the AIFM will take such actions as they determine in good faith are necessary or appropriate to mitigate the conflict (and upon taking such actions, the General Partner and/or the AIFM will be relieved of any liability, including to the Sub-Fund and the Shareholders, for such conflict and the management of such conflict to the fullest extent permitted by law and will be deemed to have satisfied their fiduciary and other related duties to the fullest extent permitted by law).

There can be no assurance that all conflicts of interest will be resolved in a manner that is favourable to the Sub-Fund. By acquiring Shares, each Shareholder will be deemed to have acknowledged, consented specifically to and waived any claim in respect of the existence of actual, apparent and potential conflicts of interest relating to the KKR Group, including, without limitation, those described in this section and to the operation of the Sub-Fund subject to those conflicts and to the actions taken by the KKR Group to address such conflicts *provided that* the General Partner has conducted the activities of the Sub-Fund in accordance with this Memorandum and has acted in good faith and in the interests of the Sub-Fund and otherwise in accordance with its fiduciary and other related duties and obligations as described above.

While the following considerations are, subject to applicable limitations resulting from K-FIT's status as a BDC, also generally applicable to the activities of K-FIT, the K-FIT Manager and its Affiliates (including KKR Credit and FS Investments) and the Sub-Fund's indirect investments through K-FIT in addition to its direct investments, additional considerations not described below are and may in the future be applicable to K-FIT. Potential investors are encouraged to carefully review relevant information in the K-FIT PPM, including the description of investment and other risks set forth therein, prior to any investment in the Sub-Fund.

KKR-Affiliated Service Providers; Fees

General

The KKR Group currently provides a broad range of financial and other services to Portfolio Companies and other issuers in or through which KKR funds, investment vehicles and accounts (including the Sub-Fund) invest (including non-controlled issuers) and/or to other parties participating in transactions with such KKR funds, investment vehicles and accounts. For example (but without limitation), the KKR Group is expected to act as underwriter, placement agent, syndication agent, financial advisor or a similar role in connection with the offering of securities, debt instruments or other financial products issued by Portfolio Companies, holding vehicles and other issuers in or through which the Sub-Fund invests (including non-controlled issuers), including in respect of portions of the capital structures of such issuers that are not invested in by the Sub-Fund or as underwriter, placement agent, syndication agent, financial advisor or similar role in connection with the public or private sale of the Sub-Fund's investments in such issuers and the KKR Group generally will be paid customary fees for such services to the extent described in this Memorandum (*see also* "— *Broker-Dealer Activities*" below). In addition, the KKR Group will potentially provide strategic and capital markets advisory services to the Sub-Fund and to Portfolio Companies, holding vehicles and other issuers in or through which the Sub-Fund invests (including non-controlled issuers), including in connection with mergers and acquisitions, recapitalizations, refinancings and restructurings. The KKR Group (including vehicles through which the KKR Group conducts lending activities) is also permitted, alone or with other counterparties, including Other KKR Funds, third party banks or other unaffiliated finance providers, to provide acquisition financing, bridge financing, lines of credit, hedging and other corporate lending or financing services and products to such issuers in addition to financing provided through the Sub-Fund's investment. The KKR Group is also expected to provide syndication services to such issuers, including in respect of co-investments in transactions participated in by the Sub-Fund (*see* "— *Co-Investments*" below).

The KKR Group generally will be paid fees (which could include warrants or other securities or instruments issued by issuers in or through which the Sub-Fund invests or other entities for which transactions are being undertaken) and other compensation, which could be payable in cash or securities, for the foregoing services, including, but not limited to: (i) arrangement, underwriting, agency, financing, banking, consulting, placement, transaction, monitoring, origination, structuring and financial advisory fees and commissions, service costs, interest and other compensation with respect to such activities; (ii) fees and carried interest earned with respect to co-investments put in place by the KKR Group;

(iii) fees received by the members of the issuer's board of directors and interim executives appointed by or on behalf of the KKR Group, the Sub-Fund and/or Other KKR Funds; and (iv) any other fees specified in this Memorandum.

In addition, the KKR Group could enter into participation or other "back-to-back" arrangements with a bank or other third party that provide the foregoing services and products directly to or with respect to the Sub-Fund or to Portfolio Companies, holding vehicles or other issuers in which the Sub-Fund invests. Under these arrangements, the KKR Group will agree to assume or perform some portion of the services or obligations undertaken by such third party or to otherwise assume a portion of the third party's financial risk in respect of such services or products and will receive fees from the third party in connection with such activities. These fees ("**Indirect Fees**") are expected to represent a specific percentage of the fees received by such third party directly from such Portfolio Companies, holding vehicles or other issuers or such other amount as is negotiated and agreed by the KKR Group and such third party. Under such arrangements, although the KKR Group would not receive fees directly from the Portfolio Companies, holding vehicles or other issuers, the KKR Group could be viewed as indirectly receiving such fees from the Sub-Fund through its investments in such Portfolio Companies, holding vehicles or other issuers in consideration for services or products provided indirectly to the foregoing. The KKR Group has an incentive to select third parties that are likely to engage the KKR Group in such arrangements and pay Indirect Fees to the KKR Group. To the extent the KKR Group provides comparable services to the Sub-Fund, the comparable fees charged to the Sub-Fund (or any special purpose vehicle or entity established to accommodate such arrangements) will not be offset against the Management Fee or otherwise be shared with the Sub-Fund (*see* "*— Other Affiliate Transactions*" below).

Fees paid by Class N Shareholders

Shareholders (or their brokers on their behalf) may elect to be treated as Class N Shareholders and in connection therewith, by virtue of holding Class N Shares, bear a larger amount of fees than Shareholders that are not Class N Shareholders for reporting, administrative and other services provided by such Class N Shareholder's registered investment adviser, adviser representative or other financial intermediary. Some or all of the Servicing Fee payable in respect of a Class N Shareholder's investment may be allocated to the Class N Shareholder's representative at the registered investment adviser or broker-dealer through which such Class N Shareholder was placed in KKR. Any amounts allocated in accordance with the foregoing sentence will compensate such registered investment adviser or broker-dealer representative for reporting, administrative and other services provided to a Shareholder by such representative. The receipt of the Servicing Fee by a Shareholder's registered investment adviser or broker-dealer representative will result in a conflict of interest.

Monitoring, Transaction, Break-Up, Originating, Arranging and Structuring Services and Fees

Where Monitoring Fee agreements are entered into by the KKR Group with Portfolio Companies or other issuers in or through which the Sub-Fund invests (including non-controlled issuers), they are typically renewed automatically on an annual basis. A Portfolio Company's or other issuer's EBITDA (i.e., earnings before income, taxes, depreciation and amortization) is generally taken into account in determining the amount of the Monitoring Fee. Monitoring Fees can also be based on a percentage of EBITDA. On the occurrence of initial public offerings, sales or other change of control events related to the relevant Portfolio Company or other issuer, the KKR Group is typically entitled to all unpaid Monitoring Fees *plus* any unreimbursed expenses *plus* the net present value of future Monitoring Fees that would otherwise be payable by such issuer (the "**NPV Payment**"). The NPV Payment is based on the net present value of the Monitoring Fees payable over a future fixed period calculated using a discount rate equal to the yield on U.S. Treasury securities of like maturity based on the dates fee payments would have been due.

From time to time, the KKR Group receives Transaction Fees for the work performed by the KKR Group in structuring investments in Portfolio Companies, holding vehicles and other issuers in or through which the Sub-Fund invests (including non-controlled issuers) and with respect to significant transactions or exits in respect of such issuers, particularly where Other KKR Funds have made material equity investments in such issuers (to the extent such investments by the Sub-Fund are permitted). Transaction Fees are received in connection with the same portfolio investments in respect of which payments under Monitoring Fee agreements are received. The KKR Group could also, from time to time, receive "break

up" or similar fees in connection with unconsummated or terminated portfolio transactions. The amount and timing of such fees are generally specified in the agreements relating to the relevant transaction and such agreements could condition or limit such payments to the KKR Group. Monitoring Fees, Transaction Fees and Break-Up Fees will be allocated among the Sub-Fund, Other KKR Funds, co-investors sourced by KKR and KKR proprietary Balance Sheet (as defined below) entities on a *pro rata* basis based on participation by such investors in the relevant transaction.

Monitoring Fees, Transaction Fees and Break-Up Fees, if any, allocable to the Sub-Fund will not be retained by the Investment Manager or its Affiliates and instead will be paid over to the Sub-Fund. Where any such amounts are paid to a member of the KKR Group that is not wholly-owned or under common ownership by or with KKR Credit and other members of the KKR Group that are under common ownership with KKR Credit, only such portion of such fee allocable to the Sub-Fund that is fairly allocable to the KKR Group ownership interest will be paid over to the Sub-Fund. For illustrative purposes, assume an affiliated recipient of a Transaction Fee is 51% owned by the KKR Group and 49% owned by other unaffiliated investors. Any such Transaction Fee paid to such Affiliate will be paid over to the Sub-Fund but only to the extent that the Transaction Fee is attributable to the KKR Group ownership interest in such Affiliate at the time that the fee is paid. Accordingly, if a $100 fee is paid to such Affiliate with respect to an investment by the Sub-Fund, $51 (representing 100% of such KKR Group ownership interest's allocable share) would be paid to the Sub-Fund.

Local Administration/Management Services

The KKR Group and/or their respective employees or agents are also expected, from time to time, to provide and receive service costs for local administration or management services to or that are otherwise related to Portfolio Companies, holding vehicles and other issuers in or through which the Sub-Fund invests (including non-controlled issuers) or the relevant underlying portfolio investments and will receive payments of service costs from such issuers in relation thereto where (i) such services are determined by the KKR Group to be reasonably necessary in order to achieve beneficial legal, tax or regulatory treatment with respect to the relevant investment and (ii) such service costs would otherwise be payable to a third party for such services.

Without limiting the foregoing, the Sub-Fund could own an equity interest alongside Other KKR Funds in one or more dedicated service companies that operate in the jurisdiction of domicile of Portfolio Companies, holding vehicles and other issuers in or through which the Sub-Fund invests. It is expected that these dedicated service companies will employ people that will provide local administration or management services directly to such issuers or indirectly by seconding such people to be employees of such issuers. It is not expected that any equity value will be ascribed to the Sub-Fund's and/or such Other KKR Funds' ownership of a dedicated service company. The costs and expenses of any such dedicated service company will be treated as fund expenses. The amount and timing of the payment of such service costs will be determined by the relevant legal, tax or regulatory treatment that the Sub-Fund is seeking to achieve, having regard to the circumstances in which such amounts are paid and the jurisdiction of establishment of the relevant Portfolio Company, holding vehicle or other issuer. Any such service costs received by the KKR Group with respect to the Sub-Fund will not be shared with the Sub-Fund or offset against the Sub-Fund's Management Fee or Incentive Fees.

None of the fees charged by the KKR Group for any of the foregoing services will be shared with the Sub-Fund and the Sub-Fund will not directly receive any benefit from such fees. While such fees and other compensation paid to the KKR Group are believed by the KKR Group to be reasonable and generally at market rates for the relevant activities, such compensation is generally determined through negotiations with related parties and not on an arm's length basis. The fee potential inherent in a particular investment or transaction could be viewed as an incentive for the KKR Group to seek to refer, allocate or recommend an investment or transaction to the Sub-Fund.

Loan Servicing and Asset Recovery Activities

The KKR Group will, from time to time, provide loan services to the Sub-Fund and/or Other KKR Funds that invest in loan participations or to Portfolio Companies or other issuers in which they invest (including non-controlled issuers) or to lending syndicates in which they participate and will generally be entitled to servicing fees and expense reimbursements for such activities. Such services are expected to include sourcing of loans, due diligence of loans and general servicing or administration services in

respect of loan portfolios. In particular, the KKR Group broker-dealer has established a loan administration business pursuant to which it provides administrative agent, collateral agent and other loan administration services to borrowers and other Portfolio Companies and issuers in which the Sub-Fund and/or Other KKR Funds could invest, particularly (but not only) where such broker-dealer is the lead or sole arranger in the relevant transaction, and will be entitled to servicing fees and expense reimbursements in respect of these activities.

Data Analysis Services - KKR's Relationship with Quantifind

The KKR Group works with a privately held company called Quantifind, Inc. ("**Quantifind**") from time to time, which is a data platform company that uses proprietary web technology to extract revenue-driving factors for brands from a wide spectrum of data sources. George Roberts, co-Executive Chairman of KKR, and Joseph Grundfest, an independent director of the KKR Public Company, each hold a relatively small (less than 2%) personal investment in Quantifind. To the extent a project relates to data analysis or related services in furtherance of diligence or other analysis related to current or prospective portfolio investments of the Sub-Fund (and/or Other KKR Funds) and/or the markets and industries in which their underlying issuers operate, the Sub-Fund (and/or each such Other KKR Fund, as applicable) will reimburse the KKR Group for their respective portion of any such fees. Portfolio companies and other issuers in or through which the Sub-Fund (and/or Other KKR Funds) will potentially, from time to time, invest (including non-controlled issuers) could also separately engage Quantifind to independently conduct big data analysis and/or to leverage information the KKR Group has gained with respect to their respective businesses. None of the services or other fees received by Quantifind in connection with the foregoing will be shared with the Sub-Fund or offset against the Sub-Fund's Management Fees or the Incentive Fees.

Other KKR-Affiliated Service Providers

In addition to the services described above in this "— *KKR-Affiliated Service Providers; Fees*" section, certain other services are expected to be provided by the KKR Group (and certain other businesses in which the KKR Group and/or KKR Personnel have minority or other non-control or non-Affiliate interests) as described below under "— *Platforms, Joint Ventures and Other Portfolio Asset Arrangements*" (*see* discussion of Platform Managers and Asset Servicers) and "— *Broker-Dealer Activities*" (*see* discussion of the KKR Group's broker-dealer activities). The KKR Group (and KKR Personnel) is also expected to, in the future, acquire an interest in (including a minority or other non-control or non-Affiliate interest) or establish other businesses and service providers not contemplated herein that will also be entitled to fees from Portfolio Companies and other issuers in which KKR funds, investment vehicles and accounts invest and/or other parties participating in transactions with KKR funds, investment vehicles and accounts (*see* "— *KKR's Investment Advisory and Proprietary Activities*" below for further information regarding the KKR Group's internal conflicts review structure).

Fees and other compensation paid to the KKR Group (and other entities and businesses in which the KKR Group or KKR Personnel hold interests) for services to Portfolio Companies and other issuers in which KKR funds, investment vehicles and accounts invest and/or to other parties participating in transactions with KKR funds, investment vehicles and accounts, are (or are expected to be, as applicable) believed by the KKR Group to be reasonable and generally at market rates for the relevant activities. Such compensation, however, is (or is expected to be) generally determined through negotiations with related parties and not on an arm's-length basis and could be in excess of the cost of comparable services provided in an arm's-length transaction. These considerations also apply in situations where the KKR Group receives Indirect Fees through third parties pursuant to participation or "back-to-back" arrangements, as described above. In connection with such arrangements, the General Partner will make determinations of market rates based on its consideration of a number of factors, which are generally expected to include the General Partner's experience with non-affiliated service providers as well as benchmarking data and other methodologies determined by the General Partner to be appropriate under the circumstances. While the General Partner and its Affiliates will generally seek to obtain benchmarking data regarding the rates charged or quoted by third parties for similar services, it is possible that appropriate comparisons are not available for a number of reasons, including, for example, a lack of a substantial market of providers or users of such services or the confidential and/or bespoke nature of such services. Accordingly, it is possible that any such market comparison efforts by the General Partner do not result in accurate information regarding market terms for comparable services. Expenses to obtain benchmarking data will be borne by the relevant Portfolio Company or other issuer (and indirectly by the KKR funds, investment vehicles and accounts and/or parties participating in the

relevant transactions, including the Sub-Fund) or directly by the Sub-Fund and/or such other KKR funds, investment vehicles and accounts and/or other parties.

None of the fees charged by the KKR Group or any other service providers in which the KKR Group and/or KKR Personnel have or acquire an interest (other than any Monitoring Fees, Transaction Fees or Break-Up Fees paid over to the Sub-Fund), will be shared with the Sub-Fund or offset against the Sub-Fund's Management Fees or Incentive fees. While the definitions of Monitoring Fees, Transaction Fees and Break-Up Fees specifically provide that such fees do not include fees or other payments paid to the KKR Group relating to loan administration services, loan or asset resolution, restructuring and reconstruction and other services (including sourcing) that are provided or performed by ARCs, other asset recovery firms, loan administration companies, or similar companies, asset leasing fees, asset administration or management fees or other fees paid to Asset Servicers or Platform Managers, fees paid to the KKR Group for local management, administration or other services to holding companies and other vehicles through which the Sub-Fund holds certain investments, fees paid to KCM, KKR Capstone, Advisors or other Technical Consultants or other fees paid to the KKR Group for services, any such specific exclusions from such definitions are for the avoidance of doubt only and do not qualify or otherwise expand the scope of the categories of fees included in Monitoring Fees, Transaction Fees and Break-Up Fees. Fees that are not specifically contemplated as included within the definition of Monitoring Fees, Transaction Fees and Break-Up Fees will not be shared with the Sub-Fund or offset against the Sub-Fund's Management Fees or Incentive Fees notwithstanding that such fees are not described in this Memorandum or included in any specific exclusions from Monitoring Fees, Transaction Fees and Break-Up Fees set forth in this Memorandum. Accordingly, investors will not receive any benefit from such fees (*see also* "— *Platforms, Joint Ventures and Other Portfolio Asset Arrangements*" below). The fee potential inherent in a particular investment or transaction could be viewed as an incentive for the KKR Group to seek to refer, allocate or recommend an investment or transaction to the Sub-Fund (*see* "— No Assurance of Ability to Participate in Investment Opportunities; Relationship with KKR, its Affiliates and Other KKR Funds; Allocation of Investment Opportunities" below).

KKR Capstone and Other Technical Consultants

The Sub-Fund will directly bear, or indirectly bear through Portfolio Companies, holding vehicles and other issuers (including non-controlled issuers) in or through which it invests (including where such costs are shared between such issuers and the Sub-Fund), the cost of any consulting services provided by KKR Capstone, which provides consulting services to the KKR Group, Other KKR Funds and Portfolio Companies, holding vehicles and other issuers (including non-controlled issuers) in or through which the Sub-Fund (and Other KKR Funds) invests. The KKR Group has and is expected in the future to engage other Technical Consultants in addition to KKR Capstone, including, but not limited to, for operational consulting, loan servicing, energy industry consulting and operating services and property management services in the real estate sector in connection with Sub-Fund investments or their underlying issuers on terms substantially similar to those described herein with respect to KKR Capstone, and the considerations discussed herein with respect to KKR Capstone will apply similarly to such other Technical Consultants.

Services provided by KKR Capstone and other Technical Consultants, if any, would generally be expected to fall within two categories: (i) acquisition-related services, including sourcing, evaluating, structuring, underwriting; due diligence and execution with respect to actual or potential investment opportunities and (ii) asset management-related services with respect to existing portfolio investments, consulting with respect to dispositions and providing strategic oversight. Technical Consultants with respect to a particular portfolio investment could also provide the same or similar services with respect to other portfolio investments of the Sub-Fund and/or one or more other KKR funds (including predecessor funds and successor funds thereto). Technical Consultants, if any, would be expected to be consultants rather than employees of the KKR Group and are compensated for services provided to the KKR Group, the Sub-Fund, other KKR funds and issuers.

KKR Capstone provides advisory services to Portfolio Companies that the KKR Group's investment professionals could not otherwise provide. The KKR Group acquired KKR Capstone effective January 1, 2020 and KKR Capstone is owned and controlled by the KKR Group. Prior to that date, KKR Capstone was neither a subsidiary nor an Affiliate of the KKR Group, though KKR Capstone had an exclusive relationship with the KKR Group and KKR Capstone provided services at the direction of the KKR Group. While KKR Capstone was unaffiliated with the KKR Group, it received services and support from

the KKR Group which were generally provided on favourable or below market rates. For example, the KKR Group provided loans to KKR Capstone that had below market interest rates and no stated payment schedule, provided administrative services to KKR Capstone at below market rates, entered into arrangements with KKR Capstone that provide for below market rent and allowed KKR Capstone to participate in the KKR Group's insurance policies and employee benefit plans without passing through the full cost of the coverage to KKR Capstone. These arrangements, *plus* other favourable services and support provided by the KKR Group to KKR Capstone, will continue during the life of the Sub-Fund.

Capstone Executives are expected to receive compensation in the form of (i) an annual salary; (ii) a discretionary performance-related bonus; (iii) grants of equity in one or more of the members of the KKR Group (including equity awards from the KKR Public Company, which has listed certain securities on the New York Stock Exchange), (iv) a portion of the carried interest allocations or incentive fees received by the Investment Manager or the general partners of Other KKR Funds that are part of the KKR Group's "carry pool" and/or (v) a profits interest in individual Portfolio Companies or assets of Other KKR Funds and, potentially, the Sub-Fund. The fees paid to KKR Capstone by Portfolio Companies and Other KKR Funds and, if applicable, the Sub-Fund, are designed to cover the costs of KKR Capstone's business, the majority of which are compensation costs for Capstone Executives. Historically, KKR Capstone fees have only covered the annual salary and bonus paid to Capstone Executives while the other components of the typical compensation package for a Capstone Executive have been borne by the KKR Group. In the future, it could be that the additional components of the typical compensation package currently borne by the KKR Group (i.e., equity grants in members of the KKR Group, carried interest awards and profits interests) are factored into the fees that KKR Capstone charges to Portfolio Companies or KKR funds (including the Sub-Fund) such that those costs are passed on to Portfolio Companies and Other KKR Funds and, if applicable, the Sub-Fund. Capstone Executives could serve on the boards of directors of the Sub-Fund's Portfolio Companies and in such cases will generally receive directors' fees and other compensation (including in the form of fixed and incentive compensation) in connection therewith from such companies. They also serve from time to time as interim executives of Portfolio Companies and receive compensation in connection therewith. Any such compensation, which could be paid in cash or equity, received by Capstone Executives will not be shared with the Sub-Fund or offset against the Sub-Fund's Management Fees or Incentive Fees.

Other companies provide similar services as KKR Capstone and other Technical Consultants, but they are less customized to the KKR Group's business and are not exclusive to the KKR Group, and its Portfolio Companies. In addition, KKR Capstone can sometimes be involved in due diligence in connection with KKR's investment sourcing. Fees and compensation received by KKR Capstone will be paid by the Sub-Fund and not shared with the Sub-Fund or offset against the Sub-Fund's Management Fees or Incentive Fees. In addition, it is expected that fees and compensation received by Technical Consultants will be charged and will not be shared with the Sub-Fund or offset against the Sub-Fund's Management Fees or the Incentive Fees, even when or if any Technical Consultant were to become a member of, or otherwise Affiliated with, the KKR Group.

Generally, KKR Capstone has master consulting agreements in place with KKR for due diligence work and other projects on behalf of Other KKR Funds and, potentially, the Sub-Fund, and they can enter into engagement letters with Portfolio Companies, holding vehicles and other issuers (including non-controlled issuers) in or through which the Sub-Fund invests for consulting services provided to such issuers. KKR Capstone also performs scoping work on behalf of Other KKR Funds and, possibly, on behalf of the Sub-Fund, in order to evaluate the potential for consulting or similar arrangements with existing Portfolio Companies and other issuers and related operational changes and improvements. Under those agreements and engagement letters, KKR Capstone is generally entitled to fees, other compensation and expense reimbursement (and, outside of the United States, expenses can be determined as a fixed percentage of KKR Capstone's fee for a specific engagement). While such fees and reimbursable expenses and other compensation paid to KKR Capstone are believed by KKR to be reasonable and generally at market rates for the relevant activities, such compensation is not negotiated at arm's length and from time to time could be in excess of fees, reimbursable expenses or other compensation that would be charged by comparable third parties.

Impact of Investment Structures on Fees Borne by the Sub-Fund

The amount of fees and reimbursable expenses payable to the KKR Group, including fees or other payments paid to the KKR Group relating to loan administration services, loan or asset resolution,

restructuring and reconstruction and other services (including sourcing) that are provided or performed by asset reconstruction companies ("**ARCs**") and/or loan servicers, Platform Managers or Asset Servicers or any other service providers that are part of the KKR Group (or KKR Personnel) have an interest, in addition to fees and expenses payable to KKR Capstone or any other Technical Consultants, that are borne by the Sub-Fund will depend in part upon which entity in the relevant investment structure has agreed to pay the relevant costs to such service providers. For example, if a Portfolio Company or other issuer has agreed to pay such costs to KKR Capstone, then generally the equity owners of the Portfolio Company or other issuer, which sometimes will not include the Sub-Fund, will indirectly bear their portion of such costs, whereas if a holding vehicle through which the Sub-Fund (but not all of the equity owners of the underlying Portfolio Company or other issuer) invests pays such costs, then the investors who invest through the relevant holding vehicle, including the Sub-Fund, will bear such costs. This will result in the Sub-Fund and one or more Other KKR Funds bearing a greater portion of the costs of KKR Capstone (or such other service providers, as applicable) than would be the case if such costs were paid by the relevant Portfolio Company or other issuer. If a Portfolio Company or other issuer declines to pay for services rendered by KKR Capstone (or such other service provider) which the General Partner believes benefited the Sub-Fund, then the Sub-Fund could be charged for such services, which will also result in the Sub-Fund bearing more of such expenses than if paid by such Portfolio Company or other issuer. KKR Capstone and reimbursable expenses (and fees and expenses payable to other service providers) related to due diligence are generally either capitalized as part of the acquisition price of the relevant investment for consummated investments (but only to the extent not reimbursed by a third party) or treated as Broken Deal Expenses for investments that are not consummated. The KKR Group could engage KKR Capstone (and other Technical Consultants) on behalf of the Sub-Fund (and Other KKR Funds, as applicable) for scoping work to evaluate the potential for consulting or similar engagements with the Sub-Fund's existing Portfolio Companies, and the associated fees and reimbursable expenses for such scoping work will be treated as Sub-Fund Expenses. Similar considerations are expected to apply to the fees and expenses of any other Technical Consultants that are engaged in respect of the Sub-Fund or its strategy or portfolio investments.

Portfolio Companies and other issuers of the Sub-Fund could potentially be counterparties to or participants in agreements, transactions or other arrangements with portfolio companies or other issuers of Other KKR Funds or the KKR Group (for example, a Portfolio Company of the Sub-Fund could retain a portfolio company or an issuer of an Other KKR Fund to provide services or could acquire an asset from such Portfolio Company). Generally, transactions between Portfolio Companies or other issuers of the Sub-Fund and portfolio companies or other issuers of Other KKR Funds (or the KKR Group) would not give rise to a conflict of interest as these transactions are typically negotiated between members of management of such portfolio companies or other issuers that are independent of the KKR Group and without the participation of members of the KKR Group. Where the KKR Group determines that there is a conflict, including possibly because members of management are not sufficiently independent of the KKR Group, the KKR Group will take actions to resolve the conflict, in accordance with its established procedures and policies for addressing conflicts, including potentially having other independent parties approve the transaction.

Additionally, certain of these agreements, transactions and arrangements among Portfolio Companies or other issuers involve fees, servicing payments, rebates and/or other benefits to the KKR Group (including KKR Capstone). For example, the KKR Group encourages Portfolio Companies or other issuers to enter into agreements regarding group procurement and/or vendor discounts. The KKR Group (including KKR Capstone) could also participate in these agreements and potentially realize better pricing or discounts as a result of the participation of the KKR Group or such Portfolio Companies or other issuers. Certain of those agreements provide for commissions or similar payments and/or discounts or rebates to be paid to a member of the KKR Group (including KKR Capstone), a Portfolio Company or another issuer, and such payments or discounts or rebates could also be made directly to a member of the KKR Group. Under these arrangements, a particular member of the KKR Group could benefit to a greater degree than the other participants, and a member of the KKR Group and the KKR funds, investment vehicles and accounts (which might or might not include the Sub-Fund) that have an interest (including indirectly) in the Portfolio Company or the issuer will receive a greater relative benefit from the arrangements than the KKR funds, investment vehicles or accounts that do not own an interest therein. Fees and compensation received by KKR Capstone and its executives in relation to the foregoing will not be shared with the Sub-Fund or offset against the Sub-Fund's Management Fees or the Incentive Fees (*see* "— *Expenses*" below for a discussion of the allocation of fees and expenses of KKR Capstone). Similar arrangements could be put in place with respect to other Technical Consultants.

Services of Senior Advisors, Executive Advisors and Industry Advisors

The Sub-Fund will also directly bear, or indirectly bear through Portfolio Companies, holding vehicles and other issuers in or through which it invests (including non-controlled issuers), the costs, if any, of consulting services provided by KKR's Senior Advisors, Executive Advisors and Industry Advisors. KKR's Senior Advisors, Executive Advisors and Industry Advisors are typically senior business leaders who provide advisory and consulting services to the KKR Group, Other KKR Funds (and, potentially, the Sub-Fund) and Portfolio Companies and other issuers in which they invest. They are consultants rather than employees of the KKR Group and are compensated for services provided to the KKR Group, Other KKR Funds (and, if applicable, the Sub-Fund) and such Portfolio Companies and other issuers. A significant portion of the compensation and reimbursement of expenses paid to Senior Advisors, Executive Advisors and Industry Advisors is allocated to Other KKR Funds and, if applicable, a portion of such compensation and expenses is expected to be allocated to the Sub-Fund.

Senior Advisors, Executive Advisors and Industry Advisors typically receive a financial package comprised of one or more of the following: (i) an annual fee, (ii) a discretionary performance-related bonus, (iii) a portion of the carried interest and incentive fees received by the Investment Manager or the general partners of Other KKR Funds that are part of the KKR Group's "carry pool," (iv) grants of equity in one or more of the members of the KKR Group (including equity awards from the KKR Public Company) and (v) an opportunity to invest in Other KKR Funds and, potentially, the Sub-Fund, or in specific transactions (including Sub-Fund investments) on a no-fee/no-carry basis. Senior Advisors, Executive Advisors and Industry Advisors are also entitled to reimbursement for expenses incurred while providing services to the KKR Group, the Sub-Fund and Other KKR Funds and portfolio companies and other issuers in or through which they invest.

Cash compensation (i.e., annual fees and cash bonuses) and expense reimbursement paid to Senior Advisors, Executive Advisors and Industry Advisors are expected to be allocated to the Sub-Fund to the extent the services of such individuals relate to the Sub-Fund's investment strategy or otherwise to investments or potential investments of the Sub-Fund. Allocations of such amounts are generally based on how each such person spends his or her time and the Other KKR Funds and other parties investing in the relevant strategy or investment. Advisors can also serve on the boards of directors of the Sub-Fund's Portfolio Companies or other issuers in or through which it invests and otherwise serve directly as consultants to such issuers and will receive directors' fees, consulting fees and other compensation (including in the form of fixed and incentive compensation) in connection with such activities from such issuers. Any such compensation, which could be paid in cash or equity, received by the Investment Manager or its Affiliates will not be shared with the Sub-Fund or offset against the Sub-Fund's Management Fees or the Incentive Fees (*see* "— *Expenses*" below for a discussion of the allocation of fees and expenses of Senior Advisors, Executive Advisors and Industry Advisors).

In addition to Advisors, the KKR Group engages external consultants in connection with the identification of and due diligence with respect to potential Portfolio Companies, commonly called deal consultants. While there are a variety of forms the engagements can take, they are generally entered into in connection with a specific investment. Many times, the deal consultant will have sourced the investment and will be paid a "finder's fee" as well as fees and expense reimbursement for due diligence work (either by means of a cash payment or through stock or equity grants in the relevant Portfolio Company). Other times, the deal consultant will be engaged in advance of identifying a specific investment but with a view to finding an appropriate opportunity for the deal consultant to become an operating executive of a Portfolio Company. In those circumstances, the deal consultant will be paid fees and expense reimbursement for due diligence work (either by means of a cash payment or through stock or equity grants in the relevant Portfolio Company if the investment is consummated) and, if the investment is successfully consummated, the deal consultant would become an executive at the Portfolio Company, typically in the C-suite. Where such deal consultants are engaged (if they are engaged) in connection with a consummated investment by the Sub-Fund, the fees paid to such deal consultants and or the costs of any stock or equity grants made to such consultant will be borne by the Sub-Fund and any participating Other KKR Funds and, where a transaction is not consummated, the fees paid to such deal consultants will be borne by the Sub-Fund and Other KKR Funds as broken deal expenses. In addition, or as an alternative, to the consultant fees and reimbursement for due diligence work described above, such deal consultants could also receive (i) profits interests and other performance related compensation related to the relevant Portfolio Company; (ii) an opportunity to participate in any management equity

plans of the relevant Portfolio Company; and/or (iii) an opportunity to invest in the relevant Portfolio Company on a no-fee/no-carry basis.

The KKR Group has established or sponsored, or otherwise manages or provides advisory services to, Other KKR Funds and expects to establish, sponsor, manage or provide advisory services to Other KKR Funds in the future that pursue similar investments and strategies to the Sub-Fund and could permit such Other KKR Funds and any other investor (including any Shareholder) to co-invest in some or all of the investments made by the Sub-Fund (*see* "*— No Assurance of Ability to Participate in Investment Opportunities; Relationship with KKR, its Affiliates and Other KKR Funds; Allocation of Investment Opportunities*" and "*— Co-Investments*" below). The terms applicable to such Other KKR Funds and co-investors, including management fees, carried interest or incentive fees, could be more favourable than those applicable to the Sub-Fund (and could also include no such fees or carried interest).

Platforms, Joint Ventures and Other Portfolio Asset Arrangements

The Sub-Fund can form, enter into or invest in investment platforms, joint ventures, build-ups and other arrangements with third parties or the KKR Group with respect to specified portfolio investments or categories of portfolio investments. In particular, the Sub-Fund expects to invest in direct lending opportunities through joint ventures, investment platforms or build-ups that provide one or more of the following services: origination or sourcing of potential investment opportunities, due diligence and negotiation of potential investment opportunities and/or servicing, development and management (including turnaround) and disposition of investments. Such investments in joint ventures, platforms and build-ups could be in or alongside existing or newly formed operators, consultants and/or managers (collectively, "**Platform Managers**") that pursue such opportunities. Platform Managers have been, and in the future could be, established or otherwise invested in by the KKR Group proprietary vehicles and will in such circumstances be members of the KKR Group or otherwise represent minority proprietary interests of the KKR Group (*see* "*— KKR's Investment Advisory and Proprietary Activities*"). Platform Managers could also or instead be invested in by the Sub-Fund, Other KKR Funds and/or third-party investors. Similarly, such joint ventures, platforms and build-ups could potentially include capital and/or assets contributed by the KKR Group proprietary vehicles, the Sub-Fund, Other KKR Funds, Platform Managers and/or third-party investors (such joint ventures and investments in platforms and build-ups, collectively, "**Platform Arrangements**").

In connection with Platform Arrangements, personnel of platform companies, joint venture companies, partners or Platform Managers or other persons, including personnel of Platform Managers that are members of the KKR Group, or of other entities formed by the KKR Group to provide services to vehicles in which the Sub-Fund and/or Other KKR Funds hold an investment (collectively, "**Platform Management**") are expected to receive management fees or other fees (including, without limitation, consulting, servicing and/or origination fees), performance-based payments (including, without limitation, carried interest, incentive fees and/or Transaction Fees), equity (including, without limitation, options, warrants and restricted stock) and/or other compensation (including, without limitation, salaries, bonus, benefits and/or reimbursement of expenses) from Platform Managers or other vehicles which manage or advise such Platform Arrangements or through which such Platform Arrangements invest or conduct their business. Platform Management could provide services exclusively to Platform Arrangements and, in some cases, Platform Managers could register or have registered as investment advisers under the Advisers Act or other similar laws in non-U.S. jurisdictions (either before, at the time of, or subsequent to, the Sub-Fund's investment in the related Platform Arrangement).

The Sub-Fund will from time to time agree to bear formation costs, ongoing general or administrative costs (including compensation of related personnel, rent and other overhead) and other working capital costs of Platform Arrangements, Platform Managers and Platform Management. The services provided by Platform Managers or Platform Management in respect of such Platform Arrangements ("**Platform Manager Services**") could be similar to and overlap with services provided by the Investment Manager to the Sub-Fund or to Other KKR Funds. The Sub-Fund could realize an investment held through a Platform Arrangement (in whole or in part) through a sale of all or a portion of the Platform Arrangement or a realization of assets held through such platform (including a payoff of loans held through such platform).

In addition to entering into cross transactions with Other KKR Funds involving Platform Arrangements as described below under "*— Cross Transactions*", the Sub-Fund expects to invest in Platform Arrangements comprising portfolios of assets managed by Platform Managers that are owned in whole or

in part by Other KKR Funds and not by the Sub-Fund. Fees paid by the Sub-Fund to such Platform Managers will benefit such Other KKR Funds and could indirectly benefit the KKR Group to the extent they increase the carried interest, incentive fees and/or management fees paid by such Other KKR Funds to the KKR Group, which will result in a conflict of interest in that the KKR Group could be incentivized to source investments for the Sub-Fund through and otherwise allocate capital of the Sub-Fund to such Platform Managers for the benefit of such Other KKR Funds, the KKR Group. Fees and other compensation paid to such Platform Managers for services in respect of the Sub-Fund's portfolio investments are generally expected by the General Partner to be reasonable and charged at market rates for the relevant activities. Such compensation however, is generally expected to be determined by the KKR Group and not on an arm's-length basis and could be in excess of the cost of comparable services provided in an arm's-length transaction. Such fees and compensation will not be shared with the Sub-Fund or offset the Incentive Fees or the Management Fees or any other compensation paid by the Sub-Fund to the AIFM and its Affiliates.

The Sub-Fund could hold certain other portfolio investments (including in particular, but without limitation, aircraft, ships or other hard assets or other financial assets or related financing arrangements) through, or otherwise participate in, investment vehicles ("**Portfolio Asset Vehicles**") managed in whole or in part by joint venture partners or asset administrators or servicers or other persons (collectively, "**Asset Servicers**") or otherwise pursuant to arrangements with such Asset Servicers under which such Asset Servicers are entitled to finders fees and other expense reimbursements for sourcing such portfolio investments, success fees or carried interest distributions in respect of such portfolio investments and/or other compensation tied to the success of such portfolio investments and/or servicing fees and expense reimbursements for assistance with due diligence of such assets, negotiation of financing relating to asset acquisitions, administration and other services provided in respect of the relevant assets (including in particular asset leasing services provided in respect of hard assets held through such vehicles) (collectively, "**Asset Servicing Fees**") where the General Partner, the AIFM and the Investment Manager, as applicable, determine this is necessary or appropriate, including, without limitation, where the General Partner, AIFM or Investment Manager believe such Asset Servicers have particular expertise, capability or knowledge with respect to the relevant category of assets, they have sourced such assets, in order to assist the General Partner, the AIFM or the Investment Manager in building relationships that could be beneficial to the Sub-Fund and which could create opportunities for future investments or otherwise to optimize returns. Similarly, in connection with local governance, regulatory and/or tax considerations in specific jurisdictions in which the Sub-Fund invests, it could be required from time to time, or otherwise deemed advisable by the General Partner and the AIFM, as applicable, that Asset Servicers comprising local investment management entities serve as the investment manager to regulated investment trusts or comparable regulated or unregulated investment vehicles through which the Sub-Fund makes investments in such jurisdictions and receive Asset Servicing Fees comprising investment management fees and other Asset Servicing Fees and expenses as described above in respect thereto. Asset Servicers have been established, and in the future could be established or otherwise invested in, by the KKR Group proprietary vehicles and in such circumstances will be members of the KKR Group or otherwise represent minority proprietary interests of the KKR Group (*see* "*— KKR's Investment Advisory and Proprietary Activities*"). To the extent permitted under this Memorandum, Asset Servicers could also or instead be invested in by the Sub-Fund, Other KKR Funds and/or third-party investors. To the extent an Asset Servicer is invested in by Other KKR Funds and/or third-party investors, any goodwill earned by sourcing and managing investments that accrues to any Asset Servicer will accordingly accrue to such Other KKR Funds or third-party investors. Additionally, Portfolio Asset Vehicles could, from time to time, include capital and/or assets contributed by the KKR Group proprietary vehicles, the Sub-Fund, Other KKR Funds and such KKR Group or third-party Asset Servicers.

Platform Managers and Asset Servicers do and could include former KKR Personnel, Senior Advisors, Executive Advisors, Industry Advisors and Capstone Executives and will also provide the same or similar services with respect to other Platform Arrangements or Portfolio Asset Vehicles of the Sub-Fund and/or one or more Other KKR Funds (including their respective predecessor funds and successor funds). The General Partner will typically have little influence over unaffiliated Platform Managers and Asset Servicers with respect to the invested amounts, and there is no assurance that these investments will benefit the Sub-Fund, either economically or by achieving access to attractive future investment opportunities. Any compensation paid to Platform Managers or Platform Management or Asset Servicers, including Platform Managers and Asset Servicers that are members of the KKR Group and including personnel that are former KKR Personnel, Senior Advisors, Executive Advisors, Industry Advisors or Capstone Executives, will increase the costs of and reduce the Sub-Fund's returns from the

relevant portfolio investments and will not be shared with the Sub-Fund or offset the Incentive Fees, the Management Fee or any other compensation paid by the Sub-Fund to the AIFM and its Affiliates.

By way of example, the KKR Group could establish a Portfolio Asset Vehicle in which the Sub-Fund invests which in turn invests in a portfolio of aircraft for aircraft leasing purposes. As is customary with respect to aircraft leasing arrangements, a related platform vehicle could engage an Asset Servicer to provide services relating to such aircraft leases, including assistance with the sourcing of leasing opportunities, diligencing of the applicable assets or leasing opportunities and negotiating of financing relating thereto, as well as maintaining the underlying aircraft fleet and/or repurposing aircraft to meet the needs of lessors. Such Asset Servicer could be a third party or it could be an entity in which the KKR Group holds a proprietary interest including an economic control interest resulting in an Affiliate relationship with the KKR Group. In addition to reimbursing the Asset Servicer for its out-of-pocket expenses, the relevant Portfolio Asset Vehicle will compensate the Asset Servicer for the provision of such asset leasing services, which compensation could include an ongoing retainer and/or lease management fee as well as other one-off payments, bonuses or compensation depending on the nature of the services provided. An allocable portion of such compensation will be borne directly or indirectly by the Sub-Fund as an investor in the Portfolio Asset Vehicle, and the Asset Servicer will be entitled to retain the full amount of such fees and other compensation without any obligation to rebate or return any such amounts to the Sub-Fund or any Shareholder. Solely for illustrative purposes, assume there is a $100 fee paid to a member of the KKR Group that provides the foregoing asset leasing services to a Portfolio Asset Vehicle of which 50% is owned by the Sub-Fund and the KKR Group owns 50% of the Asset Servicer. $100 is kept by the KKR Group, and there is no offset to the Sub-Fund's Management Fees or Incentive Fees, and as the KKR Group owns 50% of the Asset Servicer, the KKR Group indirectly receives $50 of incremental fee income. Similar considerations would apply in the case of fees and other compensation paid to loan servicers or ARCs retained in respect of any Fund investments.

Expenses

General; Investment-Related Expenses

The Sub-Fund will pay or otherwise bear all legal, accounting, and filing expenses incurred in connection with organizing and establishing the Sub-Fund and the General Partner, and the offering of interests in the Sub-Fund as set out in further detail in this Memorandum. In addition, the Sub-Fund will pay Broken Deal Expenses and all other expenses related to the operation of the Sub-Fund and its investment activities as described in this Memorandum.

As discussed in more detail below under "— *Co-Investments*," the Sub-Fund is expected to participate in specific investments together with one or more Other KKR Funds and is expected to also co-invest with the KKR Group (investing for its own account) and other co-investors. In addition, to the extent described in this Memorandum, the Sub-Fund and Other KKR Funds are expected to invest in accordance with similar investment strategies in respect of one or more categories of investments in which the Sub-Fund invests. The General Partner, the AIFM and the KKR Group will determine, in their sole discretion, the appropriate allocation of investment-related expenses, including Broken Deal Expenses incurred in respect of unconsummated investments and expenses more generally relating to a particular investment strategy, among the funds, vehicles and accounts participating or that would have participated in such investments or that otherwise participate in the relevant investment strategy, as applicable, which as discussed below, could result in the Sub-Fund bearing more or less of these expenses than other participants or potential participants in the relevant investments.

Out-of-pocket expenses associated with a completed investment made by the Sub-Fund will generally be borne by the relevant Portfolio Companies or other issuers in which the Sub-Fund invests or a related investment vehicle through which the investment is made by the Sub-Fund and capitalized as part of the acquisition price of the relevant transaction to the extent not reimbursed by a third party. As indicated above, where the relevant Portfolio Company or other issuer bears such expenses, then each of its direct and indirect equity owners will indirectly bear a portion of such expenses. In certain transactions however, certain expenses, including fees and expenses payable to KKR Capstone (or other Technical Consultants) and Advisors, as applicable, and transaction and monitoring fees and service costs payable to the KKR Group, among others, will generally be allocated to and borne by (i) holding companies and other vehicles through which certain, but not all, of the direct and indirect equity owners of the underlying Portfolio Company or other issuer invest or (ii) by a specific KKR fund, vehicle or account,

including the Sub-Fund and/or Other KKR Funds. Where such expenses are borne by holding companies or other vehicles through which the Sub-Fund invests or otherwise by the Sub-Fund, this will result in the Sub-Fund bearing a greater portion of such costs and expenses than would be the case if such costs were paid by the relevant underlying Portfolio Company or issuer.

Expenses related more generally to an investment strategy, including Broken Deal Expenses, certain organizational expenses (e.g., those related to the establishment of a multi-investment platform for a strategy), fees and expenses of consultants (including Senior Advisors, Executive Advisors and Industry Advisors, KKR Capstone and other Technical Consultants) and costs and expenses of research relating to a strategy, will generally be allocated to the Sub-Fund and Other KKR Funds and, if applicable, KKR proprietary entities, participating in the relevant investment strategy in accordance with the allocation policies and methodologies of the General Partner, the AIFM, the Investment Manager and the other the KKR Group investment advisors of such Other KKR Funds, as applicable. Such allocation methodologies, which vary, generally are based on several factors including, but not limited to, the available capital of the Sub-Fund and Other KKR Funds and KKR proprietary entities for deployment in a given strategy (based on their respective investment mandates as well as their current net asset value). The allocation of such expenses among participants in a given strategy will be based upon a number of relevant factors, including, without limitation, the capital committed to the strategy and the amount of capital historically invested, or remaining invested, in similar investments. While as a general matter, the significant majority of expenses relating to a given strategy will typically be borne by the primary investment vehicles or accounts focusing on such strategy, the proportion of such expenses allocated to any relevant KKR fund, investment vehicle or account (including the Sub-Fund) could vary from time to time, including as a result of the applicable the KKR Group allocation policies and methodologies, from period to period and for certain strategies, as applicable, resulting in one or more KKR fund, investment vehicle or account (including the Sub-Fund) bearing more of the expense than others.

Generally, where Broken Deal Expenses in respect of a particular transaction do not reach an amount determined by the AIFM and its Affiliates as significant pursuant to applicable expense allocation policies and methodologies, the entire amount of such expenses will be allocated to the primary investment vehicles or accounts focusing on the relevant strategy, which will likely result in a significant portion of such expenses being allocated to the Sub-Fund. Where Broken Deal Expenses exceed such amount, the AIFM and its Affiliates will generally seek to allocate such expenses to the Sub-Fund, Other KKR Funds and/or the KKR Group proprietary vehicles that would have participated in the relevant transaction *pro rata* based on their expected participation. Potential co-investors in a particular transaction (if any) will not however generally be required to bear Broken Deal Expenses relating to the transaction, with amounts that would otherwise be allocable to such co-investors being allocated to the Sub-Fund, Other KKR Funds and/or the KKR Group proprietary vehicles as above. The Sub-Fund is expected to be allocated and to otherwise bear Broken Deal Expenses in respect of a particular transaction which is not ultimately consummated by the Sub-Fund and Other KKR Funds or the KKR Group proprietary vehicles, as applicable, notwithstanding that the KKR Group could receive fees or other payments, for example, arranging fees paid to a KKR Group broker-dealer, in respect of an alternative transaction subsequently consummated by the relevant borrower or any other third parties that would have participated in the unconsummated transaction.

KKR Insurance Costs

The KKR Group maintains one or more insurance policies that cover the Sub-Fund, Other KKR Funds and the KKR Group, and the Sub-Fund will bear an allocable portion of the premiums and fees for such policies as Sub-Fund Expenses. The KKR Group believes that employing such insurance policies enables the KKR Group to achieve lower overall premiums and fees for the Sub-Fund, Other KKR Funds and the KKR Group. Such policies typically carry a per occurrence deductible, which would be expected to be borne by the relevant insured persons making a claim under the policy and not by other insured persons. On the other hand, such insurance policies typically have a maximum amount that will be paid to insured persons making any claim, and as such, it is possible that the Sub-Fund will have insufficient coverage to the extent that a claim by an Other KKR Fund and/or one or more members of the KKR Group is paid for their insurance claims up to such maximum amount or that otherwise reduce the maximum potential claim by the Sub-Fund below the amount of compensation required in any given circumstance. In determining the Sub-Fund's allocable portion of any insurance premium or fee, the KKR Group first determines the portion of the aggregate amount of such premium or fee that is allocable to the portion allocable to the public markets division of the KKR Group (*which* includes the Sub-Fund and the Other

KKR Funds that are focused on credit investing) and the private markets division of the KKR Group based on its assessment of the risks associated with their respective underlying businesses. Historically, the KKR Group has allocated 85% of the aggregate premiums or fees to the private markets division and 15% to the public markets division. The KKR Group then further allocates the public markets division's portion of the aggregate premiums or fees among the Sub-Fund and Other KKR Funds comprising the public markets division *pro rata* based upon their relative net asset value as of a specified date on or near the date the KKR Group entered into the applicable policy. In addition to the KKR Group policies referenced above, the Sub-Fund could obtain one or more additional insurance policies that are specific to the Sub-Fund, their activities and/or their Portfolio Companies. The costs of any such additional policies would be borne solely by the Sub-Fund and/or their Portfolio Companies (in addition to the amounts borne by the Sub-Fund under the KKR Group policies described above).

KKR Feeder/Side-by-Side Sub-Fund Expenses

The KKR Group manages certain investment vehicles that are either feeder funds investing in Other KKR Funds and/or the Sub-Fund or side-by-side vehicles investing alongside Other KKR Funds that are established primarily for the benefit of KKR Personnel, Advisors, Capstone Executives and certain other persons associated with the KKR Group, including, without limitation, certain external consultants that are permitted to participate in investments made by the Sub-Fund. The KKR Group will generally bear any allocable share of organizational costs and other expenses allocable to these vehicles on their behalf.

Operational and Other Fund-Related Expenses

Operational and other Sub-Fund-related expenses (or a portion thereof to the extent operational resources giving rise to such costs are also used by the KKR Group for proprietary purposes) will generally be borne by the KKR Group out-of-pocket and then reimbursed by the Sub-Fund. Such expenses will include allocable compensation and overhead of applicable employees of the KKR Group that are members of the KKR Group's finance, tax, technology and operations teams that spend time on Fund-related matters (the "**Applicable Employees**"). The following principles will be applied in determining allocable compensation and overhead of Applicable Employees.

Each Applicable Employee will track his/her time (currently expected to be in half-hour increments) spent engaged in a variety of matters that can be generally categorized as relating to (i) administration of the Sub-Fund, (ii) administration of the Sub-Fund's assets, (iii) administration of other funds and their assets and (iv) non-fund related activities. The Sub-Fund will only bear the compensation and overhead of each Applicable Employee that is allocable to the time spent on matters relating to clauses (i) and (ii) relative to the total time spent on all matters by such Applicable Employee. The KKR Group will bear the portion of compensation and overhead of Applicable Employees that is allocable to non-fund related activities. The following activities are included in the administration of the Sub-Fund and administration of the Sub-Fund's assets: (a) capital activity, which includes processing capital calls and distributions and calculating the Management Fees and Incentive Fees; (b) fund financial reporting, which includes preparing quarterly and annual financial statements, working with the Sub-Fund's auditors on the annual audit, preparing transparency reports and any other periodic fee reporting provided by the Sub-Fund, managing the Sub-Fund's general ledger and equity ledger, and preparation and review of quarter close work papers; (c) tax compliance and reporting as well as advice and work related to tax structuring for the Sub-Fund, its portfolio investments and intermediate holding entities; (d) legal and compliance activities, including, but not limited to, amendments to this Memorandum, the Articles, the AIFM Agreement, the Delegate Management Agreement and other documentation related to the Sub-Fund, compliance with applicable law and regulations, and work related to structuring the Sub-Fund, its portfolio investments and intermediate holding entities; (e) treasury and operations, which includes cash movement and reconciliation and management of subscription credit facilities; (f) custody, which includes managing the custody confirmation process; (g) valuation; and (h) maintaining, updating, implementing and enhancing technology software and equipment to conduct the foregoing activities and other technological support in respect of any of the foregoing activities.

Compensation of each Applicable Employee will include three elements: (a) salary and cash bonus; (b) payroll taxes; and (c) healthcare costs. For salary and cash bonus, each Applicable Employee will be assigned an amount based on the prior year's average salary and cash bonus paid to Applicable Employees of the same seniority level (i.e., vice president, principal, director, etc.) within the same location (i.e., San Francisco, Houston, New York, etc.). The average salary and cash bonus for each level

and location will be documented on a rate card that is updated annually. As an example, the salary and cash bonus assigned to each vice president on the finance team in New York for 2023 will be the average salary and cash bonus paid to all vice presidents on the finance team in New York for 2022, even though individual vice presidents on the finance team in New York could have actually been paid less (or more) than the average in 2022 or 2023. For payroll taxes, which consist of social security and Medicare taxes, the amount assigned to each Applicable Employee will be formulaic based on the applicable salary and cash bonus assigned to each Applicable Employee according to the rate card. For healthcare costs, which consist of medical and dental benefits, each Applicable Employee will be assigned an amount based on the prior year's weighted average cost across all Applicable Employees taking into account medical coverage rates (including employee contributions) and actual marital status selections for all Applicable Employees. The weighted average healthcare costs will be documented on a rate card that is updated annually. As an example, the healthcare costs assigned to each vice president on the finance team in New York for 2023 will be the weighted average healthcare costs across all Applicable Employees regardless of level and location for 2022, even though individual vice presidents on the finance team in New York could have actually had healthcare costs less (or more) than the weighted average in 2022 or 2023. Using averages for determining the compensation costs for individual Applicable Employees could cause a greater (or lesser) amount to be reimbursed by the Sub-Fund than if compensation costs had been determined based on each employee's individual compensation costs. The allocation of compensation is determined on a look back basis, meaning the amounts allocated to the Sub-Fund in the current period represent the compensation costs from the prior period and the percentage of time used for the current period's allocation is based on how time was spent in the prior period.

Overhead includes rent, property taxes and utilities that are allocable to workspaces and shared spaces (including conference rooms, hallways, kitchens and bathrooms) used by Applicable Employees. The first step in the allocation process is to determine the aggregate overhead costs for all space (both work and shared) to be allocated and calculate a cost per square foot by dividing the aggregate overhead costs by the available workspace within each location (i.e., San Francisco, Houston, New York, etc.). Each Applicable Employee is assigned an amount of square footage for his/her workspace based on the smallest occupied workspace by an Applicable Employee at each level of seniority (i.e., vice president, principal, director, etc.) within each location (i.e., San Francisco, Houston, New York, etc.). As an example, the workspace square footage assigned to each vice president on the finance team in New York for 2023 will be the smallest occupied workspace by a vice president on the finance team in New York for 2022, even though individual vice presidents on the finance team in New York could have actually occupied a larger workspace in 2022 or 2023. The total overhead for each Applicable Employee will be calculated by multiplying the amount of square footage assigned to each Applicable Employee by the aggregate per square foot overhead costs. The allocation of overhead is determined on a look-back basis, meaning the amounts allocated to the Sub-Fund in the current year represent the overhead costs from the prior year.

It should be noted that the KKR Group does not obtain pricing information from unaffiliated third-party service providers and accordingly compensation and overhead of Applicable Employees charged to the Sub-Fund could potentially be in excess of the cost of comparable services provided in an arm's-length transaction. In addition, the KKR Group could, from time to time, expand the scope of Applicable Employees to apply to additional KKR Group personnel (or categories of personnel) devoting time to Fund administration matters, as well as in-house attorneys, accountants and tax advisers engaged in the Sub-Fund's legal and regulatory compliance. *See* Section VIII, "*Fees and Expenses; Accounting; Reporting; Shareholder Matters*" of this Memorandum for a further description of expenses that will be borne by the Sub-Fund.

The General Partner and/or its Affiliates will, in their discretion, consult with or refer to the legal counsel, tax advisors, accountants, investment bankers and other similar advisors engaged by the Sub-Fund, the General Partner, the KKR Group (including the AIFM) or any other KKR Affiliate (as defined in this Memorandum) regarding any determinations with respect to the allocation of fees, costs and expenses or contractual interpretation or ambiguities relating to fees, costs and expenses, and the General Partner and/or its Affiliates are permitted to rely on such advice. Such determinations, if made in good faith reliance on such consultation, will be binding on all Shareholders, the Sub-Fund, the General Partner, the AIFM and the Investment Manager.

Errors in Expense Calculations

In the event of any error by the KKR Group in the calculation of allocable expenses for which reimbursement from the Sub-Fund is sought (which will result in an under or over reimbursement of expenses), the KKR Group will endeavour to correct such error as soon as reasonably practicable, including by refunding any over reimbursement or netting such amount out of subsequent amounts payable to the KKR Group. Interest will not accrue on any refunds or additional reimbursement payments between the KKR Group and the Sub-Fund to rectify any such error.

KKR's Investment Advisory and Proprietary Activities

As a global investment management firm, the KKR Group sponsors and advises, and expects, in the future, to sponsor and advise, a broad range of investment funds, vehicles and other accounts that make investments worldwide. These include, but are not limited to, the Sub-Fund and the Other KKR Funds. The KKR Group also makes investments for its own account, including, for example, through investment and co-investment vehicles established for KKR Personnel, Advisors, Capstone Executives and certain other associated persons of KKR (including the AIFM) and the KKR Group.

KKR Balance Sheet Activities - General

The KKR Public Company uses its balance sheet (the "**Balance Sheet**") as a significant source of capital to further grow and expand its business, increase its participation in existing businesses and further align its interests with those of its investors, including investors in Other KKR Funds and the Sub-Fund and other stakeholders. The Balance Sheet includes general partner capital commitments to, limited partnership interests and other equity interests in (if any), , the Sub-Fund, Other KKR Funds, proprietary investment vehicles and accounts and co-investments in certain portfolio companies (including credit, energy and real estate assets acquired in connection with the KKR Public Company's acquisition of KKR Financial Holdings LLC ("**KFN**") in April 2014) and interests in other third-party fund or fund of fund managers and will hold most if not all of the KKR Group's investment in the Sub-Fund. The Balance Sheet also holds other assets used in the development of the KKR Public Company's business, including seed capital for the purpose of developing, evaluating and testing potential investment strategies, products or new strategies ("**Seed Investments**") (*see* "*— KKR Stakes and Seed Business*" below).

In addition, the Balance Sheet could make a capital commitment to Other KKR Funds in order to "bridge" a capital commitment by a prospective investor that is unable to complete its subscription prior to the final closing of the relevant vehicle. Such "bridge" support by the Balance Sheet is permitted to be effected through an investor commitment by the Balance Sheet, which is subsequently transferred to the prospective investor.

KKR Balance Sheet Guidelines

The KKR Public Company has adopted policies and procedures (the "**Balance Sheet Guidelines**") to mitigate any potential conflicts of interest between the investment activities of the Balance Sheet, on the one hand, and the Sub-Fund and any Other KKR Fund, on the other. Under the Balance Sheet Guidelines, the Balance Sheet's uses are categorized generally into three categories: (1) strategic; (2) opportunistic; and (3) operational funding. Strategic uses principally focus on acquiring or owning assets in the financial services industry to enhance the KKR Public Company's businesses or earnings. Examples of such uses include strategic acquisitions, such as PAAMCO Prisma, KFN, general partner commitments to KKR funds, warehoused investments for KKR funds and investments through the Stakes and Seed Business (*see* "*— KKR Stakes and Seed Business*" below). Opportunistic uses are investments principally made to generate an investment return. Examples of such investments include co-investments, certain investment activities of KFN and certain Seed Investments, growth equity and real estate investments, and investments in which the Balance Sheet has received a distribution of securities in kind or the General Partner has elected to receive a distribution in kind in lieu of a cash distribution (*see* "*—Incentive Fees; Management Fees*" below). The KKR Public Company is permitted also to make opportunistic investments pursuant to investment strategies that mirror, or are similar to in whole or in part, investment strategies implemented by the KKR Group on behalf of the Sub-Fund and Other KKR Funds. The KKR Group seeks to address potential conflicts of interest arising from opportunistic investments by offering, where the KKR Group believes it is appropriate, such investments to relevant Other KKR Funds (and, if applicable, the Sub-Fund).

In addition, the KKR Group has sponsored a special purpose acquisition company ("**SPAC**") and will in the future sponsor additional SPACs or other blank check companies. As the sponsor of a SPAC, the KKR Group will be entitled to receive a specified percentage of the equity (referred to as a "promote") with respect to a target company in connection with a successful acquisition, and will bear the costs incurred in connection with establishing the SPAC and seeking investment opportunities if a successful acquisition is not ultimately completed. In addition, members of the KKR Group will be engaged to provide capital markets or financial advisory services in connection with the acquisition of a target company by a KKR Group-sponsored SPAC and will be engaged by the acquired company for similar services or other services following a successful business combination. As such, the KKR Group will have an incentive to allocate certain investment opportunities to a KKR Group-sponsored SPAC. While it is not expected given the strategy of the Sub-Fund that the Sub-Fund will target the same opportunities as any KKR Group-sponsored SPAC, to the extent applicable, in order to mitigate this conflict of interest, the KKR Group has established allocation policies and procedures which provide that potential investment opportunities must be offered to the Sub-Fund (or any relevant Other KKR Funds pursuing the relevant investment strategy) before a KKR Group-sponsored SPAC is permitted to consummate the relevant investment. However, actual or potential conflicts of interest could nevertheless arise in connection with the determination of whether an investment that is offered to the Sub-Fund or the relevant Other KKR Funds will be consummated by the Sub-Fund or the relevant Other KKR Funds or instead offered to the SPAC. In addition, KKR Personnel will serve as officers or in other roles with respect to KKR Group-sponsored SPACs, and conflicts of interest could arise in allocating time and attention as between the investment activities of the Sub-Fund and the investment activities of KKR Group-sponsored SPACs. Further, a KKR Group-sponsored SPAC could acquire or seek to acquire a Portfolio Company of the Sub-Fund, and the Sub-Fund could invest in or seek to invest in a company that is or was previously acquired by a KKR Group-sponsored SPAC. Any such transaction would involve conflicts of interest between the Sub-Fund and the KKR Group and would be effected solely in accordance with the requirements of this Memorandum applicable to the relevant conflict transaction (if any) and in accordance with the requirements of applicable law and regulation.

With respect to co-investments, KKR proprietary entities from time to time co-invest in investments by Other KKR Funds (and, potentially, co-invest with the Sub-Fund) in portfolio investments. Co-investments by KKR proprietary entities will result in less availability of discretionary investment opportunities for Other KKR Funds and, as applicable, the Sub-Fund. The KKR Group does not generally charge management or administration fees or performance-related compensation for its services to such KKR proprietary entities and the KKR Group retains monitoring fees and transaction fees, including originating, structuring and arranging fees and service costs allocable to such proprietary entities (which allocations are based on their participation in the relevant investment). The KKR Group will also, from time to time, bear any allocable share of expenses related to such co-investments on behalf of such KKR proprietary entities.

The Balance Sheet's operational funding uses typically consist of activities to facilitate normal course transactions in support of the KKR Public Company's businesses. Examples of such activities include capital support for the activities of KKR Group broker-dealers and treasury and liquidity management investments. Operational activities will also include provision by the Balance Sheet of credit support to a general partner's obligation to an Other KKR Fund (and, potentially, the Sub-Fund) as well as support of certain transactions by Other KKR Funds (and, potentially, the Sub-Fund) or by their Portfolio Companies. For example, the Balance Sheet will provide interest-free loans to holding companies or other issuers through which the Sub-Fund invests or to platform vehicles in order to bridge down payments or other transactional or operational needs of a Portfolio Company or other issuer pending the receipt by such holding companies or other issuers of capital contributions from the Sub-Fund and other equity owners. As an additional example, a KKR Group proprietary account has previously guaranteed the obligations of a KKR fund general partner to post collateral on behalf of the relevant KKR fund in connection with such KKR fund's derivative transactions and has also agreed to be liable for certain investment losses and/or for providing liquidity in the events specified in the governing documents of another KKR fund. Operational funding activities are not offered to Other KKR Funds and the Sub-Fund for investment allocation purposes.

From time to time, the KKR Group will finance, securitize or employ other structured finance arrangements in respect of certain Balance Sheet assets. For example, the KKR Group, from time to time, can employ structured financing arrangements with respect to co-investment interests and investments in Other KKR Funds made by Balance Sheet entities (including, potentially co-investments with the Sub-

Fund). These structured financing arrangements could alter the KKR Group's returns and risk exposure with respect to the applicable Balance Sheet assets as compared to its returns and risk exposure if the KKR Group held such assets outside of such structured financing arrangements, and could create incentives for the KKR Group to take actions in respect of such assets that it otherwise would not in the absence of such arrangements or otherwise alter its alignment with investors in such investments (including Other KKR Funds or the Sub-Fund).

In addition, an Other KKR Fund (and, potentially, the Sub-Fund) could, subject to applicable requirements in its governing documents, which could include obtaining limited partner advisory committee consent, determine to sell a particular portfolio investment to a separate vehicle managed by the KKR Group with different terms to such Other KKR Fund (or the Sub-Fund) (e.g., longer duration), and provide investors of such Other KKR Fund (or the Sub-Fund) with the option to monetize their investment in such Other KKR Fund (or the Sub-Fund) at the time of such sale, or to roll all or a portion of their interest in the relevant portfolio investment into the new vehicle. Under such circumstances, the Balance Sheet is permitted to invest in or alongside the new vehicle or hold the entirety of the portfolio investment sold by the Other KKR Fund (or the Sub-Fund) through or alongside the new vehicle (e.g., if all limited partners elect to monetize their investment at the time of sale to the new vehicle).

Impact of Balance Sheet Activities on Sub-Fund Investments

KKR proprietary entities participating in the foregoing activities, including Seed Investment entities and KFN, as well as Other KKR Funds, have in the past invested and are expected to continue to invest in similar or the same types of securities, properties or other assets in which the Sub-Fund or Other KKR Funds invest. These proprietary entities, as well as Other KKR Funds, could compete with and have interests adverse to the Sub-Fund or Other KKR Funds. The existence of Seed Investment entities and other KKR proprietary entities, including KFN, and Other KKR Funds, investing in the same or similar investments that are sought to be made by the Sub-Fund or Other KKR Funds could, among other adverse consequences, affect the prices of the investments, securities, properties or other assets in which the Sub-Fund invests and will affect the availability of such assets (*see* "*— No Assurance of Ability to Participate in Investment Opportunities; Relationship with KKR, its Affiliates and Other KKR Funds; Allocation of Investment Opportunities*" and "*— Co-investments*" below). In such circumstances, the KKR Group's interest in maximizing the investment return of its proprietary entities and those of its members creates a conflict of interest in that the KKR Group will be motivated to allocate more attractive investments to the proprietary entities under its management and allocate less attractive investments to Other KKR Funds or the Sub-Fund. Similarly, the KKR Group will be motivated to allocate scarce investment opportunities to the proprietary entities under its management rather than to Other KKR Funds, including the Sub-Fund.

KKR Investments in Service Providers

Other KKR Funds (including KKR proprietary Balance Sheet entities) could provide financing to a third-party sponsor or its acquisition vehicle or to another company for the purposes of acquiring a Portfolio Company or an interest in a Portfolio Company from the Sub-Fund. Although not limited to such arrangements, this type of financing could, for example, be provided through pre-arranged "staple" financing packages arranged and offered by the KKR Group and its Affiliates to potential bidders for the relevant Portfolio Company or interest. The KKR Group will face conflicts of interest where any such Other KKR Funds provide such acquisition financing, in particular in respect of its incentives to select a bidder using such financing for the purposes of creating an investment opportunity for such Other KKR Funds and, potentially, related arranging fees for KKR Affiliates, notwithstanding that the relevant bid is below market or otherwise does not reflect on an overall basis the best available terms. Any such financing arrangements will be subject to the KKR Group's policies and procedures for addressing conflicts.

The KKR Group will, including in particular through the KKR Group's Stakes and Seed Business as discussed under "*— KKR Stakes and Seed Business*" below, invest on a proprietary basis in minority or majority interests in companies in which the Sub-Fund and/or Other KKR Funds have no interest but which are counterparties to, or participants in agreements, transactions or other arrangements with, issuers of the Sub-Fund's portfolio investments (for example, an issuer could retain a company in which the KKR Group has a proprietary interest to provide services, including financing services, license software or develop proprietary technology or could acquire an asset from such company). As noted above under "*— KKR-Affiliated Service Providers; Fees*" and "*— Platforms, Joint Ventures and Other Portfolio Asset*

Arrangements", a KKR Group broker-dealer has established a loan servicing business and the KKR Group and/or KKR Personnel have invested or are expected in the future to invest in or otherwise establish ARCs and/or other loan servicers, Platform Managers, Asset Servicers and other businesses or service providers that provide services to the Sub-Fund and/or Other KKR Funds or to Portfolio Companies and other issuers in or through which the Sub-Fund invests and/or purchasers, sellers and other parties to transactions in which the Sub-Fund, directly or indirectly, participates. Agreements, transactions and other arrangements entered into by the Sub-Fund or issuers of the Sub-Fund's investments and any such service providers are expected to indirectly benefit the KKR Group as an owner of such entities or could adversely impact issuers of the Sub-Fund's investments with which they do business. The KKR Group's interest in maximizing its return on such investments will give rise to a conflict of interests, in particular, but not limited to, circumstances where the KKR Group has the ability through its investments to influence the activities of such entities or encourages issuers of the Sub-Fund's investments to transact therewith. Transactions between companies in which the KKR Group (or KKR Personnel) acquires such proprietary interests, on the one hand, and the Sub-Fund or the issuers of its investments, on the other, are generally not expected to constitute the types of transactions that will entitle such companies to transaction, monitoring and other fees or compensation that would otherwise be paid over to the Sub-Fund. For example, insurance brokerage fees or IT licensing fees payable by a Portfolio Company or other issuer in which the Sub-Fund invests to a KKR Affiliate for related services of a KKR Affiliate will not be paid over to the sub-Fund but will benefit the KKR Affiliate. Similarly, fees paid to ARCs, loan servicers, Platform Managers or Asset Servicers in which the KKR Group has an interest (or to Quantifind) will not be paid over to the Sub-Fund (*see also* "*— Platforms, Joint Ventures and Other Portfolio Asset Arrangements*" above).

KKR Stakes and Seed Business

The KKR Group owns interests in third-party hedge fund or fund of fund managers in which the KKR Group has acquired a stake, seeded or otherwise obtained an ownership interest (the "**Stakes and Seed Managers**"). Funds and accounts managed by such managers (each, a "**Stakes and Seed Fund**") are expected to pursue a broad range of investment strategies and invest in a broad range of securities and instruments and other assets globally. Any Stakes and Seed Fund could invest in securities or other financial instruments of companies or other issuers in which Other KKR Funds and the Sub-Fund also have an interest. Stakes and Seed Funds could also invest in competitors of Other KKR Funds and the Sub-Fund or their respective portfolio companies or other issuers in which they invest. Actions taken by any Stakes and Seed Manager in respect of any of the foregoing could adversely impact Other KKR Funds and the Sub-Fund. Any such investments and actions will be controlled by the respective Stakes and Seed Manager and will generally be outside the control and oversight of the KKR Group. Notwithstanding the foregoing, the KKR Group (including the Investment Manager) will also, from time to time, act as a non-discretionary sub-adviser of a Stakes and Seed Fund or Stakes and Seed Manager, including in particular with respect to co-investments made alongside the Sub-Fund or Other KKR Funds.

As of June 1, 2017, Prisma Capital Partners LP ("**Prisma**"), formerly constituting the KKR Group's global hedge funds solutions business, together with Pacific Alternative Asset Management Company, LLC ("**PAAMCO**"), became a KKR Stakes and Seed Manager.[15] It is expected that advisory members of the KKR Group or the AIFM will also, from time to time, act as a sub-adviser in respect of capital allocated within investment vehicles and other accounts managed and advised by Prisma, and Prisma is expected to advise or sub-advise investment vehicles and other accounts established by the KKR Group.

Global Atlantic Transaction

On February 1, 2021, the KKR Group closed a strategic transaction pursuant to which the KKR Group acquired control of Global Atlantic, a leading retirement and life insurance company ("**Global Atlantic**") (the "**Global Atlantic Transaction**"). KKR (including through KKR Credit) serves as Global Atlantic's investment manager. Global Atlantic had over $90 billion of adjusted invested assets as of December 31, 2020. Accordingly, KKR (and KKR Credit) significantly increased its assets under management following the closing of Global Atlantic.

[15] On June 1, 2017, KKR & Co. and PAAMCO completed a strategic transaction to create PAAMCO Prisma Holdings, LLC, a new liquid alternatives investment firm by combining PAAMCO and KKR Prisma.

A subsidiary of the Balance Sheet is the sole voting shareholder and majority equity owner of Global Atlantic. It is generally expected that Global Atlantic assets managed by KKR ("**Global Atlantic Accounts**") will constitute accounts of a KKR Group entity.

The KKR Group generally expects to treat any Global Atlantic Account as an Other KKR Fund for the purposes of allocating investment opportunities and related fees and expenses. Global Atlantic Accounts participating in KKR's strategic investment strategy could participate by co-investing alongside the Sub-Fund and Other KKR Funds in some or all of their investments or, potentially, through investments in limited partner interests of Other KKR Funds or structured financing arrangements in respect of any general partner commitments thereto. The establishment of Global Atlantic Accounts investing directly in KKR's strategic investment strategy will create a conflict of interest in that the KKR Group will be incentivized to allocate attractive opportunities to the Global Atlantic Accounts rather than to the Sub-Fund and/or Other KKR Funds as applicable. The KKR Group will allocate investment opportunities among the Sub-Fund, Other KKR Funds and the Global Atlantic Accounts in a manner that is consistent with an allocation methodology established by the KKR Group and its Affiliates in a manner designed to ensure allocations of such opportunities are made on a fair and equitable basis over time.

Other examples of conflicts of interest that are expected to arise in connection with the Global Atlantic Transaction and the Sub-Fund include transactions pursuant to which Global Atlantic Accounts could, subject to applicable law, acquire assets of, or provide financing to, Portfolio Companies and other issuers in which the Sub-Fund invests. For example, subject to regulatory approval, Global Atlantic Accounts could acquire portfolio assets originated by, or provide financing to, Platform Arrangements invested in by the Sub-Fund. Subject to applicable law, such transactions will be implemented in a manner consistent with the treatment of Global Atlantic Accounts as Other KKR Funds. Where such transactions involve the acquisition of such assets or provision of such financing on terms negotiated with the management of such platform vehicles or other issuers in which the Sub-Fund invests, such transactions will not be viewed as cross transactions between such Global Atlantic Accounts and the Sub-Fund that are subject to any cross transactions requirements applicable pursuant to this Memorandum. Further, Global Atlantic Accounts could participate as lenders to the Sub-Fund, which could result in actual or potential conflicts of interest as further described in "— *Other Affiliate Transactions*" below. Global Atlantic Accounts will not be subject to the contractual restrictions regarding "Cross Transactions" as defined in this Memorandum. Except as otherwise provided in this Memorandum or as established by law, the Sub-Fund could enter into Cross Transactions in which one or more Global Atlantic Accounts is involved without the consent of the Shareholders.

The terms of Global Atlantic Accounts are expected to differ materially from those of the Sub-Fund, including in respect of management fees, incentive fees and expense reimbursements. Management fees are expected to be charged by the KKR Group for the management of Global Atlantic Accounts. Global Atlantic Accounts are not expected to be subject to incentive fees or other performance-related compensation. If any of such assets are managed by the KKR Group through the investment by Global Atlantic Accounts in the Sub-Fund, such investments are not expected to be subject to the Management Fee and the Incentive Fees.

Investment-Related Conflicts

General

Material conflicts of interest that arise between the Sub-Fund and the Shareholders, on the one hand, and the KKR Group and Other KKR Funds, on the other hand, generally will be discussed and resolved on a case-by-case basis by senior management of KKR, including representatives of the General Partner, the AIFM and the Investment Manager (or otherwise managed in accordance with internal policies and procedures reviewed by senior management). Any such discussions and policies will take into consideration the interests of the relevant parties and the circumstances giving rise to the conflict. To implement best practices in the application and monitoring of conflict resolution, the KKR Group has created a Global Conflicts Committee. The Global Conflicts Committee is responsible for analysing and addressing new or potential conflicts of interest that arise, from time to time, in the KKR Group's business, including conflicts relating to specific transactions and circumstances, as well as those implicit in the overall activities of the KKR Group and its various businesses. In addition, KKR Credit has established policies and procedures for mitigating and managing possible conflicts of interest as they relate to business overseen by KKR Credit, the AIFM and Other KKR Funds advised by KKR Credit

and/or the AIFM (including the management of the Sub-Fund) and, in particular, for elevating, evaluating and resolving such conflicts.

While KKR will seek to manage any resulting conflicts in an appropriate manner, such transactions or advice could potentially have consequences that are adverse to the interests of the Sub-Fund, such as, for example, by adversely affecting the availability or price of investments that the General Partner seeks to make for the Sub-Fund or the price at which the General Partner seeks to purchase or sell any investments. The General Partner, the AIFM and the Investment Manager will have the power to resolve, or consent to the resolution of, conflicts of interest on behalf of, and such resolution will be binding on, the Sub-Fund.

Specific actions which could be taken by the KKR Group (including the General Partner, the AIFM and the Investment Manager) to resolve a conflict could include: (i) if applicable, handling the conflict as described in this Memorandum, (ii) disposing of the investment or security giving rise to the conflict of interest, (iii) disclosing the conflict to the Shareholders (including, without limitation, in distribution notices, financial statements, letters to Shareholders or other communications), (iv) appointing the Independent Client Representative, (v) validating the arms-length nature of the transaction by referencing participation by unaffiliated third parties or obtaining consent from the limited partner advisory committee (or equivalent governance committee) of an Other KKR Fund that is similarly situated with respect to the conflict as the Sub-Fund, (vi) in the case of conflicts among clients, creating groups of personnel within KKR separated by information barriers (which can be expected to be temporary and limited purpose in nature), each of which would advise or represent one of the clients that has a conflicting position with other clients, (vii) implementing policies and procedures reasonably designed to mitigate the conflict of interest, or (viii) otherwise handling the conflict as determined appropriate by the General Partner, the AIFM or the Investment Manager in their good faith reasonable discretion. Shareholders should be aware that conflicts will not necessarily be resolved in favour of the Sub-Fund's or the Shareholders' interests and there may be situations where the Sub-Fund as a passive investor investing into or alongside an Other KKR Fund may not have the ability to mitigate such conflict.

In connection with its other activities, the KKR Group could, from time to time, come into possession of information that limits the Sub-Fund's ability to engage in potential transactions, including by preventing an advisable exit of a particular investment which could have an adverse effect on the performance of the Sub-Fund (*see* "*— Limitations on Information Sharing within KKR; Possession of Material Non-Public Information; Other Limitations on Leveraging Firm-Wide Resources*" below). The Sub-Fund's activities will be constrained to the extent of its inability to use such information. The KKR Group has long-term relationships with a significant number of corporations and their senior management. In determining whether to invest in a particular transaction on behalf of the Sub-Fund, the General Partner, the AIFM and the Investment Manager will consider those relationships, which could, from time to time, result in certain transactions that the General Partner, the AIFM and/or the Investment Manager, as applicable, will not undertake on behalf of the Sub-Fund in view of such relationships. The Sub-Fund could also co-invest with other clients of the KKR Group in particular investment opportunities and the relationship with such clients could influence the decisions made by the General Partner, the AIFM and the Investment Manager with respect to such investments (*see* "*— Co-Investments*" below).

While the KKR Group believes that it maintains effective policies and procedures to review and mitigate conflicts of interest and believes that its compensation arrangements create an alignment of interest with its investors, discretionary compensation paid to and interests in proprietary entities held by KKR investment professionals (including members of the Global Conflicts Committee) and others involved in addressing conflicts of interest relevant to the Sub-Fund could from time to time cause such persons to be deemed to have a conflict when addressing certain issues in part due to their discretionary compensation arrangements and interests in various proprietary investments and investment vehicles.

The General Partner has the authority to appoint a suitably qualified Independent Client Representative unaffiliated with the General Partner, the AIFM or any of their Affiliates to consider, approve or disapprove certain related party transactions, certain other transactions and matters involving potential conflict of interests and provide or withhold consent with respect to matters requiring client consent for purposes of Sections 206(3) and 205(a) of the Advisers Act, as further described in this Memorandum.

Provision of Services to or by Portfolio Companies

Portfolio companies or other issuers in which the Sub-Fund invests could from time to time be counterparties to or participants in agreements, transactions or other arrangements with Portfolio Companies or other issuers in which Other KKR Funds (or the KKR Group) invest or directly with such Other KKR Funds (or the KKR Group) and vice versa.

For example, the Sub-Fund or an issuer in which the Sub-Fund invests, such as a Platform Vehicle or Portfolio Asset Vehicle, could retain the services of a Portfolio Company of an Other KKR Fund to provide due diligence, loan administration, asset leasing, or other services or could acquire an asset from such issuer. Alternatively, a Portfolio Company of the Sub-Fund could provide such services directly to an Other KKR Fund. In particular, in recent years, certain Other KKR Funds have acquired a controlling stake in a number of loan and asset servicing or management companies. Although these companies have third-party clients, it is possible that the Sub-Fund or Other KKR Funds targeting the types of loans and assets serviced or managed by these companies could engage their services. Such companies could in particular provide consultation and due diligence services to acquisition companies established by the Sub-Fund or Other KKR Funds in relation to a loan or asset portfolio for the purposes of formulating price and other bid terms. Should a relevant bid be successful, such companies could then be engaged to service the relevant portfolio on an ongoing basis. In each case, if such companies did not perform these functions, the acquisition companies would need to engage a third-party servicer to do so.

These arrangements have the potential for a conflict of interest to arise, particularly, for example, where the Other KKR Funds investing in a service provider are not the same Other KKR Funds that own (directly or indirectly through a Portfolio Company) the portfolio being serviced. In these situations, the Other KKR Funds investing in the portfolio are indirectly bearing fees that benefit the Other KKR Funds that own the servicing company. Where the relevant arrangement involves services or other benefits provided directly to the Sub-Fund or an Other KKR Fund, the KKR Group could be incentivized to agree to terms or establish service levels (if applicable) that disproportionately favour the Sub-Fund or the Other KKR Funds involved. Where such arrangements are between Portfolio Companies or other issuers in which the Sub-Fund invests and Portfolio Companies and other issuers in which Other KKR Funds invest, the conflicts of interests involved will depend on the level of independence between the management of such Portfolio Companies or other issuers and the KKR Group. Where the KKR Group determines that there is a conflict involved in any such arrangement, including possibly because members of management of a relevant Portfolio Company or other issuer are not sufficiently independent of the KKR Group, the KKR Group will take actions to resolve the conflict in accordance with its established procedures and policies for addressing such conflicts. *See also* discussion of "Platform Managers" under "*— Platforms, Joint Ventures and Other Portfolio Asset Arrangements*" above.

Additionally, certain of the above agreements, transactions and arrangements will involve fees, servicing payments, rebates and/or other benefits to the KKR Group (including KKR Capstone). For example, the KKR Group encourages portfolio companies (which could include Portfolio Companies or other issuers in which the Sub-Fund invests) to enter into agreements regarding group procurement and/or vendor discounts. The KKR Group (including KKR Capstone) could also participate in these agreements and would likely realize better pricing or discounts as a result of the participation of the KKR Group portfolio companies. Certain of these agreements provide for commissions or similar payments and/or discounts or rebates to be paid to participating portfolio companies or KKR Capstone, and such payments or discounts or rebates could also be paid directly to the KKR Group. Under these arrangements, a particular participating portfolio company could benefit to a greater degree than the other participants in the arrangements, and the KKR funds, investment vehicles and accounts (which could potentially include the Sub-Fund) that own an interest in such portfolio company will receive a greater relative benefit from the arrangements than the KKR funds, investment vehicles or accounts that do not own an interest in such portfolio company. Fees and compensation received by KKR Capstone and its executives in relation to these arrangements will not be shared with the Sub-Fund or offset against Management Fees or the Incentive Fees (*see* "*— Expenses*" above for a discussion of the allocation of fees and expenses of KKR Capstone). Similar arrangements could be put in place with respect to other Technical Consultants.

Investments in which KKR and/or Other KKR Funds Have a Different Principal Interest

The KKR Group, including Other KKR Funds, invests in a broad range of asset classes throughout the corporate capital structure. These investments include investments in corporate loans and debt instruments, preferred equity securities and common equity securities. The Sub-Fund can invest in Portfolio Companies or other issuers in which the KKR Group and/or Other KKR Funds have material

equity investments or otherwise have a material influence on management including, for example, where the KKR Group is pursuing a new investment strategy, such as core private equity, on its own behalf or on behalf of Other KKR Funds or otherwise where the KKR Group is investing on behalf of its and/or Other KKR Funds pursuant to existing investment strategies and mandates. In addition, the Sub-Fund could, from time to time, invest in Portfolio Companies and other issuers in which the KKR Group and/or Other KKR Funds invest in different parts of the debt capital structure.

For example, with respect to the Sub-Fund's investments in certain companies, the KKR Group and/or Other KKR Funds could, from time to time, invest in different classes of debt or equity issued by the same companies, including debt or equity that is senior to the Sub-Fund's interests or convertible into such senior interests. The interests of the Sub-Fund will not be aligned in all circumstances with the interests of the KKR Group or Other KKR Funds to the extent they hold more junior or senior debt or equity interests, as applicable, which could create actual or potential conflicts of interest or the appearance of such conflicts. In that regard, actions could be taken by the KKR Group and/or the Other KKR Funds that are adverse to the Sub-Fund. The interests of the Sub-Fund, the KKR Group and/or Other KKR Funds investing in different parts of the capital structure of an issuer are particularly likely to conflict in the case of financial distress of the issuer and such conflicts will be increased where the KKR Group and/or Other KKR Funds hold controlling equity interests in a Portfolio Company or otherwise have a material influence on its management.

With respect to portfolio investments (if any) that are private equity investments of the KKR Group and/or Other KKR Funds, such Other KKR Funds and/or the KKR Group will typically seek to acquire controlling or other significant influence positions in their Portfolio Companies. As a result, they could have the ability to elect some or all of the members of the board of directors of the Portfolio Companies and thereby control their policies and operations, including the appointment of management, future issuances of common stock, or other securities, the payments of dividends, if any, on their common stock, the incurrence of debt, amendments to their certificates of incorporation and bylaws, and entering into extraordinary transactions. Certain actions of a Portfolio Company that the KKR Group is in a position to control or influence either directly by reason of the KKR Group's ownership of, or interest in, such Portfolio Company or indirectly by reason of such Other KKR Funds' interests in such company could be in the interests of the KKR Group and/or such Other KKR Funds but adverse to the interests of the Sub-Fund, or vice versa. For example, the KKR Group or a private equity fund of the KKR Group could have an interest in pursuing an acquisition that would increase indebtedness, a divestiture of revenue-generating assets, or another transaction that, in the KKR Group's judgment, could enhance the value of the investment held by the KKR Group or such private equity fund, but would subject debt investments made by the Sub-Fund to additional or increased risk.

In addition, to the extent that the KKR Group and/or Other KKR Funds are the controlling shareholders of a Portfolio Company or other issuer in which the Sub-Fund invests, the KKR Group is likely to have the ability to determine (or significantly influence) the outcome of all matters requiring stockholder approval and to cause or prevent a change of control of such company or a change in the composition of its board of directors and could preclude any unsolicited acquisition of that company. The interests of the KKR Group and/or such Other KKR Funds with respect to the management, investment decisions, or operations of a Portfolio Company or other issuer in which the Sub-Fund invests could at times be in direct conflict with those of the Sub-Fund, which will not have the same level of control or influence over the issuer. As a result, the KKR Group could face actual or apparent conflicts of interest, in particular in exercising powers of control over such Portfolio Companies or issuers.

For example, if additional financing is necessary as a result of financial or other difficulties of a Portfolio Company, it will generally not be in the best interests of the Sub-Fund, as a holder of senior secured debt issued by such company, to provide such additional financing. If the KKR Group or Other KKR Funds holding more junior debt or equity positions were to lose their respective investments as a result of such difficulties, the ability of the General Partner, the AIFM and the Investment Manager to recommend actions in the best interests of the Sub-Fund might be impaired. Decisions about what action should be taken in a troubled situation by the Sub-Fund and/or Other KKR Funds holding senior secured debt issued by the Portfolio Company, including whether or not to enforce claims, whether or not to advocate or initiate a restructuring or liquidation inside or outside of bankruptcy, and the terms of any work-out or restructuring, will raise conflicts of interest as these decisions could adversely impact the KKR Group or Other KKR Funds holding more junior debt or equity positions in the companies. The involvement of the KKR Group at both the equity and debt levels could inhibit strategic information exchanges among other

creditors. In certain circumstances, the Sub-Fund and/or Other KKR Funds could potentially be prohibited from exercising voting or other rights and could also be subject to claims by other creditors with respect to the subordination of their interests in a Portfolio Company. Where the KKR Group or an Other KKR Fund holds debt in a Portfolio Company that is more senior to that held by the Sub-Fund, the KKR Group or such Other KKR Fund could potentially take actions in its own interests with respect to its rights as a creditor (for example, with respect to breaches of covenants) that could be adverse to the interests of the Sub-Fund as a more junior debt holder. In addition, it is possible that, in a bankruptcy proceeding, the Sub-Fund's interests could be subordinated or otherwise adversely affected by virtue of the KKR Group's and/or such Other KKR Funds' involvement and actions relating to their investment.

There can be no assurance that the terms of, or the return on, the Sub-Fund's investment will be equivalent to, or better than, the terms of, or the returns obtained by, the KKR Group or such Other KKR Funds participating in the transaction. This could result in a loss or substantial dilution of the Sub-Fund's investments, while the KKR Group or an Other KKR Fund recovers all or part of amounts due to it. Similarly, the General Partner's ability to implement the Sub-Fund's strategies effectively will be limited to the extent that contractual obligations entered into in respect of the activities of the KKR Group and/or Other KKR Funds impose restrictions on the Sub-Fund engaging in transactions that the General Partner would be interested in otherwise pursuing.

In addition, from time to time, the Sub-Fund could participate in releveraging and recapitalization transactions involving issuers of the Sub-Fund's portfolio investments in which the KKR Group and/or Other KKR Funds have invested or will invest. Recapitalization transactions will present conflicts of interest, including determinations of whether existing investors are being cashed out at a price that is higher or lower than market value and whether new investors are paying too high or too low a price for the company or purchasing securities with terms that are more or less favourable than the prevailing market terms (*see* "*— No Assurance of Ability to Participate in Investment Opportunities; Relationship with KKR, its Affiliates and Other KKR Funds; Allocation of Investment Opportunities*" above).

The KKR Group could take certain steps to reduce the potential for adversity between the Sub-Fund and/or Other KKR Funds investing in different parts of an issuer's capital structure that, in the absence of the related conflicts of interest, it would not otherwise take. Such steps could include, by way of example, causing the Sub-Fund and/or an Other KKR Fund to remain passive in a situation in which it is otherwise entitled to vote (including electing not to vote or deferring to the decision or judgment of an independent, third-party investor in the same class or tranche of equity or debt securities or instruments), restricting the aggregate holding of the Sub-Fund and/or Other KKR Funds in a particular security or class or tranche of security to below a specific threshold so that material control over the relevant securities or class or tranche thereof is in the hands of unaffiliated third parties or establishing information barriers to separate relevant KKR investment professionals so that they can act independently of each other in representing the Sub-Fund and/or Other KKR Funds to the extent they hold different securities or instruments issued by the same issuer. With respect to conflicts between the Sub-Fund and/or Other KKR Funds, the KKR Group could seek to ensure that such entities invest in the same securities or instruments of the same issuer in the same proportion (including in follow-on investments) to preserve an alignment of interest or the KKR Group could also cause the Sub-Fund and/or an Other KKR Fund to sell out of a particular investment that it would otherwise have retained absent such conflict, including by causing the Sub-Fund and/or the Other KKR Fund to sell to an unaffiliated party and/or to an Other KKR Fund or, subject to applicable law, a proprietary KKR investment vehicle.

Impact of Other Investment Activities on Fund Investments

The KKR Group has in the past given and is expected to continue to give advice or take action (including entering into short sales, derivatives transactions or other "opposite way trading" activities) with respect to the investments held by, and transactions of, Other KKR Funds or KKR proprietary entities that are different from, or otherwise inconsistent with, the advice given or timing or nature of any action taken with respect to the investments held by, and transactions of, the Sub-Fund. Such different advice and/or inconsistent actions could be due to a variety of reasons, including, without limitation, the differences between the investment objective, program, strategy and tax treatment of certain Other KKR Funds or KKR proprietary entities and the Sub-Fund or the regulatory status of Other KKR Funds and any related restrictions or obligations imposed on KKR as a fiduciary thereof (including, for example, Other KKR Funds invested in by pension plans and employee benefit plans and constituting "plan assets" under ERISA or Other KKR Funds that are registered as investment companies under the 1940 Act). Such

advice and actions could adversely impact the Sub-Fund. For example, an Other KKR Fund or KKR proprietary entity could concurrently, or in close proximity in time with such acquisition by the Sub-Fund, establish a short position in a security acquired by the Sub-Fund (for example as collateral) or that otherwise relates to such an investment held by the Sub-Fund and such short sale could result in a decrease in the price of the security acquired by or otherwise held by the Sub-Fund or could otherwise benefit the execution quality of the transaction entered into by the Other KKR Fund and/or the KKR proprietary entity. Additionally, the investment programs employed by the KKR Group for Other KKR Funds or KKR proprietary entities could conflict with the transactions and strategies employed by the General Partner, the AIFM and the Investment Manager in managing the Sub-Fund. Where the Sub-Fund, KKR proprietary entities, including the Seed Investment entities, and Other KKR Funds hold portfolio investments in the same issuer, their interests could potentially be in conflict irrespective of whether their investments are at different levels of the capital structure. Among other things, the timing of entry into or exit from a portfolio investment could vary as among these parties for reasons such as differences in strategy, existing portfolio or liquidity needs.

By way of example of the above activities, the Sub-Fund is permitted to (but is not required to) enter into derivative transactions for hedging purposes in connection with its investments, while KKR proprietary entities and Other KKR Funds could enter into such transactions for speculative purposes or, alternatively, hedge a given risk related to a given investment more or less fully than the Sub-Fund. KKR proprietary entities and Other KKR Funds could enter into such hedging arrangements in connection with investments alongside the Sub-Fund and, like other investors in the Sub-Fund, could also enter into hedging arrangements in connection with their investments made through the Sub-Fund, which arrangements are not employed by the Sub-Fund itself. These differences in derivative or hedging strategy could result in such KKR proprietary entities or Other KKR Funds achieving more or less favourable returns with respect to an investment relative to the returns achieved by the Sub-Fund or other investors in the Sub-Fund depending upon the timing of the disposition of the relevant investment. Similarly, the form of consideration received in connection with an exit of an investment could also vary among these parties if, for example, KKR proprietary accounts receive and retain an in-kind distribution of securities, for example, through an in-kind distribution by an Other KKR Fund or the Sub-Fund to its general partner where such securities are otherwise disposed of by such Other KKR Fund or the Sub-Fund for cash, in whole or in part.

The above variations in timing or form of consideration could be detrimental to the Sub-Fund or such other investing entities. There can be no assurance that the terms of, or the return on, the Sub-Fund's investments will be equivalent to, or better than, the terms of, or the returns obtained by, any Other KKR Funds or KKR proprietary entities, including in respect of any category of investments, nor can there be any assurance that any Other KKR Fund or KKR proprietary entity with similar investment objectives, programs or strategies, including, without limitation, any Seed Investment entity, will hold the same positions, obtain the same financing or perform in a substantially similar manner as the Sub-Fund. The KKR Group's ability to implement the Sub-Fund's strategy effectively will be limited to the extent that contractual obligations entered into in respect of investments made by any Other KKR Fund or KKR proprietary entity or regulatory obligations or restrictions imposed on the KKR Group as a result of the regulatory status of any KKR proprietary entity and/or Other KKR Fund (for example, under ERISA or the 1940 Act) impose restrictions on the ability of the Sub-Fund (or the KKR Group on its behalf) to invest in securities or interests that the Sub-Fund would otherwise be interested in pursuing or to otherwise take actions in respect of the Sub-Fund's investments that would otherwise be beneficial to the Sub-Fund. For example, in certain instances in connection with the sale of investments by KKR proprietary entities or Other KKR Funds, the KKR Group could, from time to time, enter into agreements prohibiting KKR proprietary entities and the Other KKR Funds, including the Sub-Fund, from engaging in activities that are deemed to compete with the disposed of investment for a certain period of time. Such agreements could prevent the Sub-Fund from acquiring investments in certain sectors or regions, including investments that otherwise would have been appropriate for the Sub-Fund.

In some instances, the KKR Group will coordinate the activities of the Sub-Fund and/or Other KKR Funds holding the same security or instrument (such as timing dispositions of such securities or instruments in an orderly way in order to avoid affecting their market price in an unduly volatile manner) notwithstanding that the returns realized by the Sub-Fund and/or any Other KKR Fund participating in such coordinated transactions could have been higher absent such coordination.

In addition to investing alongside the Sub-Fund, certain Other KKR Funds could invest as Shareholders in the Sub-Fund and will have the right to exercise any vote, consent or waiver required or permitted under this Memorandum in the same manner as other Shareholders in the Sub-Fund. The manner in which such vote, consent or waiver is exercised by the relevant Other KKR Fund will be subject to its governing documents, which typically (but not always) provide that all or certain votes, consents or waivers are exercised by the underlying investors or other third-party participants in the Other KKR Fund. To the extent that any such vote, waiver or consent is permitted to be exercised independently by the KKR Group in its capacity as general partner, manager or a similar role with respect to the Other KKR Fund, such vote, waiver or consent will be exercised by the KKR Group in accordance with the interests of the Other KKR Fund, or alternatively could be voted in accordance with prescribed mechanisms (e.g., in the same proportions as other limited partners vote with respect to the relevant item), in each case as required or permitted under the governing documents of the relevant Other KKR Fund.

Competing Interests of Shareholders

The Sub-Fund could, in certain circumstances, engage in transactions, including the sale of one or more investments, to persons or entities that are actual or potential investors in the Sub-Fund or Other KKR Funds. In causing the Sub-Fund to enter into any such transactions, the General Partner, the AIFM and the Investment Manager could be incentivized by management fees, carried interest distributions, incentive fees and other compensation and payments that could be generated by such investments or by strategic or other commercial incentives to agree to terms with such counterparties that are less favourable than would have been agreed with other counterparties that are not current or potential investors in the Sub-Fund or any Other KKR Fund or to otherwise enter into such transactions at a time or on terms that are not in the best interests of the Sub-Fund.

Personal Private Investment Holdings

Certain investment personnel of the KKR Group maintain personal private investment holdings, which could, potentially, include investments in private companies and other issuers and assets that subsequently become targeted for acquisition by the Sub-Fund (or investments in private companies or other issuers or assets that compete with assets or businesses targeted by the Sub-Fund) and/or investments in private funds that invest in or own investments in private companies or other issuers or assets that compete with assets or businesses targeted by the Sub-Fund (e.g., through the acquisition of or investment in an asset of an unaffiliated private fund sponsor). Certain of these investments are maintained with third-party investment managers who sponsor investment vehicles that can compete with the KKR Group or that the KKR Group recommend to their respective clients. Furthermore, certain of these personal investments can have terms that are more favourable than those routinely offered by the unaffiliated investment manager (for example, reduced fees). These personal investments could give rise to potential or actual conflicts of interest between the Sub-Fund and Other KKR Funds, on the one hand, and the KKR Group, on the other hand, including, in particular, to the extent such investment personnel participate in the management of the Sub-Fund's investments in such assets and the personal investment interests of such investment personnel are not aligned with those of the Sub-Fund. In addition, as noted above, the KKR Group personnel can hold investments in entities that become service providers to the KKR Group or Portfolio Companies or other issuers in or through which the Sub-Fund invests. Although the relevant KKR Group personnel are not likely to have control or other influence over the decisions of the relevant service provider, a conflict of interest could nevertheless arise in connection with engaging the relevant entity as a service provider in light of the indirect benefit accruing through the investment held in the service provider. KKR Group personal securities investment and reporting policies, which require the pre-approval from the KKR Group's compliance group on any personal private fund or private investments, seek to identify any potential or actual conflicts of interest relating to personal private investments.

No Assurance of Ability to Participate in Investment Opportunities; Relationship with KKR, its Affiliates and Other KKR Funds; Allocation of Investment Opportunities

General; Allocation Considerations

As indicated above, certain Other KKR Funds and KKR proprietary entities, including any Seed Investment entities, do and are likely in the future to invest in securities, properties and other assets in

which the Sub-Fund could invest. The KKR Group has sole discretion to determine the manner in which investment opportunities are allocated between the Sub-Fund, the KKR Group and Other KKR Funds.

Allocation of identified investment opportunities among the Sub-Fund, the KKR Group and Other KKR Funds presents inherent conflicts of interest where demand exceeds available supply. As a result, the Sub-Fund's share of investment opportunities could be materially affected by competition from Other KKR Funds and from KKR proprietary entities. Investors should note that the conflicts inherent in making such allocation decisions will not always be resolved to the advantage of the Sub-Fund.

As a general matter, the KKR Group will allocate investment opportunities among the KKR Group, the Sub-Fund and Other KKR Funds in a manner that is consistent with an allocation methodology established by the KKR Group reasonably designed to help ensure allocations of opportunities are made over time on a fair and equitable basis. In determining allocations of investments, the KKR Group will take into account such factors as they deem appropriate, which include, for example and without limitation: investment objectives and focus; target investment size and target returns, available capital, the timing of capital inflows and outflows and anticipated capital commitments and subscriptions; timing of closing and speed of execution; liquidity profile, including during a ramp-up or wind-down period; applicable concentration limits and other investment restrictions and client instructions (including, without limitation, the need to resize positions to avoid breaches of applicable investment restrictions); mandatory minimum investment rights and other contractual obligations applicable to participating funds, vehicles and accounts and/or to their investors; portfolio diversification; applicable investment periods and proximity to the end of the term of the relevant funds, vehicles and accounts; the management of actual or potential conflicts of interest; limitations on participants imposed by an issuer or other counterparty involved in making an investment opportunity available; likelihood of current income; whether an investment opportunity requires specific advisory committee or other consents on behalf of relevant funds, vehicles and accounts; lender covenants; tax efficiencies and potential adverse tax consequences; regulatory restrictions applicable to participating funds, vehicles and accounts and investors that could limit the Sub-Fund's ability to participate in a proposed investment; policies and restrictions (including internal policies and procedures) applicable to participating funds, vehicles and accounts; the avoidance of odd-lots or cases where a *pro rata* or other defined allocation methodology would result in a *de minimis* allocation to one or more participating funds, vehicles and accounts; the potential dilutive effect of a new position; the overall risk profile of a portfolio; the potential return available from a debt investment as compared to an equity investment; the potential effect of the Sub-Fund's performance (positive and negative); and any other considerations deemed relevant by the KKR Group. Among others, the above factors provide substantial discretion to the KKR Group in allocating any individual investment opportunity.

The outcome of any allocation determination by the KKR Group could result in the allocation of all or none of an investment opportunity to the Sub-Fund or in allocations that are otherwise on a non-*pro rata* basis and could result in the Sub-Fund co-investing in an investment opportunity alongside the KKR Group and/or an Other KKR Fund, in either the same or different parts of the target's capital structure. Such determinations could also result in the dilution of the Sub-Fund's interest in any existing investment by Other KKR Funds, the KKR Group and/or third-party co-investors to the extent that an investment opportunity constituting a follow-on investment in respect of an existing Sub-Fund investment arises (for example, the opportunity to participate in a refinancing of a loan or other debt position in a Portfolio Company already held by the Sub-Fund) and the Sub-Fund has insufficient available capital to take up all or any part of what would otherwise be its allocable share of such opportunity (which would generally be based on its participation in the initial investment). Any such dilution could be determined on the basis of a valuation in respect of the existing investment determined by the KKR Group. Conversely, to the extent an Other KKR Fund participating in the original investment has insufficient capital or is otherwise unable to participate on a *pro rata* basis in any related follow-on investment opportunity, such excess opportunity could be allocated in whole or in part to the Sub-Fund increasing its concentration in the relevant investment, which will increase the losses incurred by the Sub-Fund to the extent such follow-on investment as a whole does not perform as anticipated. The fact that management fees, carried interest distributions and/or incentive fees are calculated at different rates among the Sub-Fund and Other KKR Funds or are subject to different hurdle rates or other similar terms, creates an incentive for the KKR Group to disproportionately allocate investment opportunities to vehicles paying such amounts at a higher rate (or subject to a lower hurdle rate). The Sub-Fund's investment strategy also overlaps with and conflicts with different strategies pursued by Other KKR Funds given the broad scope of the Sub-Fund's investment strategy. If an investment opportunity falls within the Sub-Fund's investment strategy and one

or more other strategies pursued by Other KKR Funds, then the Sub-Fund's participation in such opportunities could be curtailed or eliminated. Depending on the investment opportunity, the applicable Other KKR Funds, and whether the opportunity is allocated pursuant to the KKR Group's or the Investment Manager's allocation policies, and any applicable contractual provisions in the governing documents of those Other KKR Funds addressing allocation issues, those Other KKR Funds could receive priority allocations of such opportunities which would otherwise be allocable to the Sub-Fund, resulting in a smaller allocation to the Sub-Fund or, in some cases, those Other KKR Funds could receive the entire allocation, in which case the Sub-Fund would not participate in such investment.

The KKR Group has adopted policies and procedures that seek to ensure that investment opportunities are allocated in good faith and that such allocations are fair and reasonable under the circumstances and considering such factors as the KKR Group deems relevant. There can be no assurance, however, that the Sub-Fund will have an opportunity to participate in certain investments that fall within the Sub-Fund's investment objectives (*see also* "*— Investments in which KKR and/or Other KKR Funds Have a Different Principal Interest*" above). The KKR Group's investment allocation policies and procedures can be amended by the KKR Group at any time without the consent of the Shareholders or the General Partner.

1940 Act Considerations

KKR Credit manages and could manage in the future directly and through certain joint venture arrangements, a number of BDCs and regulated investment companies which are regulated pursuant to the 1940 Act ("**1940 Act Funds**"). Such 1940 Act Funds can invest alongside the Sub-Fund and other non-1940 Act Funds in certain circumstances when doing so is consistent with their investment strategy as well as applicable law and SEC staff interpretations. In addition, certain 1940 Act Funds and the Sub-Fund and other non-1940 Act Funds can invest alongside each other pursuant to exemptive relief granted by the SEC to KKR Credit. This exemptive relief enumerates various conditions that need to be followed by the participating investment vehicles in order to co-invest with each other. In some circumstances, due to regulatory considerations related to the 1940 Act, the 1940 Act Funds will not be considered eligible to participate in specific investments for allocation purposes. As a result, the 1940 Act Funds will not be able to participate in as many investments as the non-1940 Act Funds and allocations of investments to the Sub-Fund, other non-1940 Act Funds and 1940 Act Funds pursuing a similar investment strategy will vary materially from investment to investment as a result of such regulatory considerations. Due to the substantial size of certain of these 1940 Act Funds, allocations of investments to the Sub-Fund could be materially reduced where 1940 Act Funds are participating alongside the Sub-Fund in such investments. In certain circumstances, the Sub-Fund and other non-1940 Act Funds will not be able to participate at all in an investment if the 1940 Act Funds are participating. Similarly, there could be certain circumstances in which 1940 Act Funds and/or the Sub-Fund and other non-1940 Act Funds participate in the same transaction and, due to subsequent events, either the 1940 Act Funds or the Sub-Fund and other non-1940 Act Funds cannot participate in follow-on investments in the same issuer. Conflicts also will arise if the 1940 Act Funds hold different securities in an issuer's capital structure to those held by the Sub-Fund or other non-1940 Act Funds. The KKR Group's ability to manage such conflicts could, in certain circumstances, be restricted by the 1940 Act and applicable rules, regulations and SEC Staff interpretations.

Allocation to Balance Sheet Entities

To the extent the General Partner and the AIFM determine in good faith that an opportunity is most appropriate for the proprietary principal investment activities of the KKR Group due to the strategic nature of the opportunity as it relates to the business of the KKR Group, including Seed Investment entities, such investment opportunity (including, for the avoidance of doubt, any opportunity that includes the acquisition of assets that individually are within the primary investment focus of the Sub-Fund) will be deemed to not be within the investment focus of the Sub-Fund and will be allocated to the Balance Sheet as a "strategic" investment under the Balance Sheet Guidelines.

Seed Investment entities and certain other KKR proprietary entities targeting investments in which the Sub-Fund invests will generally be allocated investment opportunities on a comparable basis to the Sub-Fund and Other KKR Funds that target such investments, including, with respect to Seed Investment entities, in order to maintain the integrity of their investment strategy and track record. The application of relevant factors and other considerations discussed above in determining allocations of investment opportunities between the Sub-Fund and other opportunistic proprietary accounts could result in a

proprietary account taking a non-*pro rata* (including a greater than *pro rata*) allocation of any particular investment opportunity relative to the Sub-Fund (*see* "— *Co-Investments*" below) in either the same or different parts of the target's capital structure or could result in a proprietary account taking an allocation of an investment opportunity which is not then made available to the Sub-Fund. In determining allocations of investments participated in by the Sub-Fund, Other KKR Funds and KKR proprietary entities (including any Seed Investment entities), the KKR Group can take into account any internal risk limits and other investment guidelines established in good faith from time to time by the General Partner, the AIFM and the Investment Manager in respect of the Sub-Fund in addition to any investment restrictions provided under this Memorandum. From time to time, an allocation range with a minimum and maximum investment amount will be deemed appropriate for the Sub-Fund, with the investment amount above the minimum being offered to third parties in order to facilitate a transaction. In the event the third parties do not participate fully in the offered investment amount, the Sub-Fund will be allocated the balance, up to its maximum allocation. Nothing herein or in this Memorandum precludes, restricts or in any way limits the activities of the KKR Group, including its ability to buy or sell interests in, or provide financing to, funds or issuers, for its own account or for the account of other investment funds or clients.

As indicated above under "— *KKR's Investment Advisory and Proprietary Activities*", the Sub-Fund's share of investment opportunities could be materially affected by competition from Other KKR Funds and from KKR proprietary entities including any Seed Investment entities. These investing entities can, among other things, originate or invest in privately traded loans and securities and invest in public debt and equity securities. The aggregate available capital of these investing entities is substantial. The Sub-Fund will not necessarily have any priority in respect of any category of investments and as stated above, allocation of investment opportunities in accordance with the KKR Group's allocation methodology could result in the Sub-Fund being allocated less than a *pro rata* share of an investment opportunity or none of such opportunity.

The KKR Group believes that the Balance Sheet's strategic investments and operational funding activities are appropriate solely for proprietary investment activities and therefore not within the investment focus of the Sub-Fund or any Other KKR Fund. As such, strategic investments and operational funding activities are not typically allocated to Other KKR Funds (and are not expected to be allocated to the Sub-Fund).

In addition, certain types of opportunistic investments made by the Balance Sheet involve investment opportunities that are not within an investment mandate of the Sub-Fund and Other KKR Funds (e.g., certain growth equity investments) or that have been (or will be) declined by the investment committees of the Sub-Fund and the Other KKR Funds. For example, the Balance Sheet made certain Seed Investments for the technology, media and telecommunications and health care growth equity strategies, which have been below the equity investment size threshold of the KKR Group's private equity funds. Such investments by their nature would not typically be allocated to the Sub-Fund or any Other KKR Funds. However, such investments could be offered for co-investment alongside the Balance Sheet to certain Other KKR Funds that are separately managed accounts whose investment mandate includes investments made alongside the Balance Sheet. The amount allocated to any such Other KKR Fund would depend on various factors, including suitability of investment, available capital, concentration limits and other investment restrictions, the investment's risk profile and, to the extent applicable, consent of investors in such Other KKR Funds.

Allocation of Financing and Refinancing Opportunities

The Sub-Fund is not restricted in its ability to provide financing to a third-party sponsor or its acquisition vehicle or to another company for the purposes of acquiring a Portfolio Company or an interest in a Portfolio Company of an Other KKR Fund that represents a private equity, special situations or other equity investment of such Other KKR Fund. Although not limited to such arrangements, this type of financing could for example be provided through pre-arranged "staple" financing packages arranged and offered by the KKR Group to potential bidders for such investments. The KKR Group will face conflicts of interest where the Sub-Fund provides such acquisition financing to any such bidder, in particular in respect of its incentives to maximize profits on the sale of the relevant investment by the relevant Other KKR Fund (which will typically have a carried interest distribution or incentive fee payable to its KKR-affiliated general partner than the Sub-Fund) or to otherwise induce such bidder to make such acquisition and facilitate an exit of the investment by the Other KKR Fund, by offering such financing on below-

market pricing and/or other terms. Other KKR Funds that also engage in financing activities (including proprietary KKR vehicles) are similarly generally not limited in their ability to provide financing to third-party sponsors and acquisition vehicles or to other companies as part of similar financing packages arranged and offered by the KKR Group for the purposes of acquiring investments held by the Sub-Fund, in which case, similar conflicts of interest will arise. Any such financings provided by the Sub-Fund will be subject to the KKR Group's policies and procedures for addressing conflicts.

In addition, the Sub-Fund is not limited in its ability to provide financing to a borrower, or to provide debt or equity financing to a third-party sponsor or other person which in turn will use such financing to provide financing to a borrower, for the purposes of refinancing an existing loan or other debt position in the relevant borrower held by an Other KKR Fund. To the extent such investment opportunities arise, the KKR Group will face actual or apparent conflicts of interest, in particular the incentive to use financing provided directly or indirectly by the Sub-Fund to facilitate a successful exit of any such investment by the relevant Other KKR Fund. Moreover, nothing in this Memorandum prohibits an Other KKR Fund from refinancing loans or other debt positions or from providing debt or equity financing to a third party which in turn will use such financing to refinance loans or other debt positions held by the Sub-Fund in a borrower prior to their stated maturity. Such prepayments will generally result in the Sub-Fund receiving a lower than anticipated yield on such investments which it cannot recoup through the redeployment of the relevant investment proceeds or otherwise mitigate through any early repayment penalties negotiated with the relevant borrower. While not limited to such periods, debt refinancings are more likely to occur during periods of declining interest rates. To the extent that the Sub-Fund reinvests the proceeds of a prepayment in these circumstances, it will likely receive a rate of interest that is lower than the rate on the debt positions that were prepaid as a result of the refinancing. In considering such refinancing opportunities, the KKR Group will face actual or apparent conflicts of interest, in particular in respect of its incentives to source attractive refinancing opportunities for the benefit of Other KKR Funds. The pricing and terms of any of the foregoing refinancing transactions will, from time to time, be established solely by the KKR Group without the involvement of an independent third party. It is possible that the KKR Group will allocate the opportunity to refinance the loan or other debt position held by the Sub-Fund in a different proportion (which can be higher or lower) to the proportion in which the Sub-Fund participated in the position being refinanced and, in certain circumstances, the Sub-Fund could have insufficient available capital or otherwise be unable to participate in such refinancing (*see* "— *Cross Transactions*" below).

Similarly, the Sub-Fund is not limited in its ability to participate in a follow-on investment in an existing Portfolio Company or other issuer in which the Sub-Fund and/or Other KKR Funds or KKR proprietary vehicles or other persons hold a loan or other debt position, which follow-on investment could be protective or a "new money" investment in the relevant issuer, in a different proportion (which can be higher or lower) to the proportion in which it participated in the prior loan or other debt investment, and, in certain circumstances, the Sub-Fund will not participate in such investments (*see* "— *Cross Transactions*" below). Such follow-on investments could be senior to the prior loan or debt investment in the relevant issuer, which could give rise to conflicts of interest to the extent the Sub-Fund invests in a lower or higher proportion than its original investment (or does not participate in such investments), and which could otherwise disproportionately benefit Other KKR Funds or the KKR Group relative to the Sub-Fund, for example, where the Sub-Fund participates in a protective follow-on investment in a higher proportion than its participation in the original investment due to the inability of an Other KKR Fund to participate. Notwithstanding that the follow-on investment by the Sub-Fund could be senior to the original investment and therefore have structural priority relative to such original investment (and would therefore benefit the Sub-Fund in that regard), the original investment by such Other KKR Fund could nonetheless benefit on a "free-ride" basis from the subsequent protective investment by the Sub-Fund in the relevant Portfolio Company and the return from such investment could ultimately be higher than would have been the case had the Sub-Fund not participated in such investment (*see* "— *Investments in which KKR and/or Other KKR Funds Have a Different Principal Interest*") and the return on the Sub-Fund's investment in such Portfolio Company could be lower than would have been the case if it had participated in such follow-on investment in the same proportion as it participated in the original investment. The reverse will be the case to the extent the Sub-Fund did not participate in any such investment.

Aggregation of Orders

Sales of securities and other instruments for the account of the Sub-Fund (particularly marketable securities) can be bunched or aggregated with orders for Other KKR Funds or KKR proprietary vehicles. It is frequently not possible to receive the same price or execution on the entire volume of securities sold, and the various prices will generally, in such circumstances, be averaged, which could be disadvantageous to the Sub-Fund.

Co-Investments

Co-Investments

As indicated above, the Sub-Fund is permitted to co-invest together with Other KKR Funds, ARCs and/or certain opportunistic KKR proprietary Balance Sheet entities in some or all of the Sub-Fund's investment opportunities. The KKR Group can also offer co-investment opportunities that are made available to the Sub-Fund to KKR co-investment vehicles (including proprietary KKR vehicles and other vehicles in which KKR Personnel, Advisors, Capstone Executives and other associated persons of the KKR Group invests) and third party Co-Investors (including Shareholders and prospective Shareholders) and special purpose vehicles established and administered by the KKR Group to facilitate the investments and related investment decisions and activities of such third-party co-investors (collectively, "**Co-Investors**"). In determining the allocation of co-investment opportunities to applicable Co-Investors, the KKR Group considers a multitude of factors, including its own interest in investing in the opportunity.

With respect to the syndication of co-investment opportunities to third-party Co-Investors, the KKR Group will take into account various factors it deems appropriate to limit the overall risk of the syndication. While these factors will vary from opportunity to opportunity, the most important are: whether a prospective Co-Investor has expressed an interest in evaluating co-investment opportunities; the financial resources of the prospective Co-Investor and its commitment to satisfy certain minimum/maximum investment amounts and its ability to provide the requisite capital and complete a co-investment opportunity within the specified time frame based on the KKR Group's prior experience with such prospective Co-Investor; the size of the prospective Co-Investor's capital commitments to the Sub-Fund and Other KKR Funds and the importance of such prospective Co-Investor for future business with the KKR Group; the overall strategic benefit to the KKR Group of offering a co-investment opportunity to such potential Co-Investor; attributes of the applicable investment opportunity that are attractive to a potential Co-Investor based on its investment objectives, its ability to contribute to the targeted business or its geographic proximity to the investment; the economic terms on which such prospective Co-Investor will agree to participate; ease of process with respect to arranging a co-investment group; any legal, regulatory or tax considerations to which the proposed investment is expected to give rise; and such other factors that the KKR Group deems relevant under the circumstances. As a result, co-investment opportunities are not allocated *pro rata* among the Shareholders, there can be no assurances that any particular Shareholder will be given the opportunity to participate in any co-investment opportunities, even if such Shareholder has expressed an interest in being considered for participating in co-investment opportunities, and certain Shareholders could receive a disproportionate amount of co-investment opportunities. Consistent with the KKR Group's practice in connection with some Other KKR Funds, the General Partner or its Affiliates can establish and administer dedicated special purpose vehicles for specific Shareholders in order to facilitate and administer one or more co-investments and related investment decisions and activities by the relevant Shareholders as Co-Investors alongside the Sub-Fund. Any such special purpose vehicles will be established in the General Partner's or its Affiliates' sole discretion, and the General Partner and its Affiliates have no obligation to offer a similar opportunity to any other Shareholder.

In circumstances where the Sub-Fund participates in an investment with one or more Co-Investors, the size of the investment opportunity otherwise available to the Sub-Fund could be less than it would otherwise have been. KKR proprietary Balance Sheet entities and Co-Investors established principally for the benefit of KKR Personnel, Advisors, Capstone Executives and other associated persons of the AIFM, the KKR Group (which can include executives of the issuers of portfolio investments of the Sub-Fund or Other KKR Funds and external consultants) typically will not be subject to management fees or carried interest distributions, incentive fees or other performance-related compensation, but they are generally allocated broken deal expenses and monitoring, transaction, originating, structuring or arranging fees based on their respective ownership of the relevant portfolio investments (with the KKR Group retaining such allocable amounts). Management fees, carried interest, incentive fees, administration and/or other fees applicable to other Co-Investors will be established by the KKR Group in

its sole discretion and could be less or more than those applicable to the Sub-Fund. Certain Co-Investors not comprising Co-Investors established for the benefit of KKR Personnel, Advisors, Capstone Executives and other associated persons of the AIFM or the KKR Group will potentially not be subject to or otherwise charged any management fees, carried interest, incentive fees or other performance compensation, administration fees or other fees (*see also* "*—Incentive Fees; Management Fees*" below).

Certain Co-Investors co-investing with the Sub-Fund could invest on different (and more favourable) terms than those applicable to the Sub-Fund and could have interests or requirements that conflict with and adversely impact the Sub-Fund (for example, with respect to their liquidity requirements, available capital, the timing of acquisitions and dispositions or control rights). The KKR Group will generally seek to ensure that the Sub-Fund, any Other KKR Funds, KKR proprietary entities, the KKR Group and Co-Investors participate in any co-investment and any related transactions on comparable economic terms to the extent reasonably practicable and subject to legal, tax and regulatory considerations. Investors should note, however, that such participation will not be practicable in all circumstances and will depend on terms negotiated by such co-investors in their sole discretion and that the Sub-Fund could potentially participate in such investments on different and potentially less favourable economic terms than such parties if the General Partner and the AIFM deem such participation as being otherwise in the Sub-Fund's best interests. This could have an adverse impact on the Sub-Fund. Without limiting the foregoing, although Co-Investors will typically not be offered the opportunity to purchase securities of an investment at a price lower than the price paid by the Sub-Fund, Co-Investors generally do not bear management fees, carried interest or incentive fees, and can be offered the opportunity to participate in an investment without bearing other fees or expenses borne by the Sub-Fund or can receive a rebate or other offset of such fees and expenses.

Balance Sheet Bridging of Co-Investments

The determination as to whether Balance Sheet entities will fund all or any portion of an investment that is expected to be syndicated to Co-Investors will be made by KKR's Balance Sheet Committee (or one or more of its delegates) based on the interests of the Balance Sheet, including the liquidity profile of the Balance Sheet at the time of the syndication, other syndications in process or expected to be in process and the need for bridging in those other syndications, the likelihood of successfully syndicating the investment and the potential for the KKR Group to earn syndication fees in connection with placing the investment with Co-Investors or, conversely, the risk of a failed syndication and retention of the investment (*see* "*— Broker-Dealer Activities*" below). As such, the Balance Sheet will have an incentive not to agree to fund the portion of investments allocated to Co-Investors where the post-closing syndication is expected to be challenging or subject to significant risk of failure. The Sub-Fund could seek to bridge such investment if the General Partner, the AIFM and the Investment Manager deem such action as appropriate and bear the risk that Co-Investors do not purchase some or all of such investment and the risk of a more concentrated exposure to the relevant investment than was originally desired (subject to any investment limitations outlined in this Memorandum).

If both the Sub-Fund and the Balance Sheet fund any portion of an investment that is expected to be syndicated to Co-Investors, the post-closing syndication to Co-Investors will be apportioned between the Sub-Fund and the Balance Sheet in the KKR Group's discretion. If there is insufficient Co-Investor demand and the full amount bridged by the Sub-Fund and the Balance Sheet in the aggregate is not syndicated, the Sub-Fund will be left with a more concentrated exposure to the relevant investment than was originally desired.

Co-Investment Governance Rights

In addition to economic interests, the voting, control and governance rights with respect to an investment in which the Sub-Fund, Other KKR Funds, KKR proprietary Balance Sheet entities, the KKR Group and/or Co-Investors participate can be structured in a number of ways depending upon various considerations relating to the specific investment and the entities participating. For example, voting rights can be allocated *pro rata* to the participants in an investment in accordance with their respective equity interests or can be allocated on a disproportionate basis to one or more of the participants. In many cases, the "flagship" KKR fund participating in an investment will control the general partner (or similar entity) of the aggregating vehicle through which the various entities participate in the relevant investment, and as such will indirectly control the aggregating vehicle even where it does not own a majority or greater of the equity in the vehicle. It is possible that structuring investments in this manner could expose

the Sub-Fund to greater risk of liability than would be the case if the general partner (or similar entity) of an aggregating vehicle were owned *pro rata* by all equity participants. Similarly, KKR proprietary Balance Sheet entities could be allocated at least half or more of the voting rights or governance rights (including the right to elect at least half of the board of directors) with respect to an aggregating entity (which can be a limited liability company) even where the Sub-Fund (or Other KKR Funds or Co-Investors) own a majority or more of the economics or equity in the entity. Where KKR proprietary Balance Sheet entities or Other KKR Funds have interests or requirements that do not align with those of the Sub-Fund, including in particular differing liquidity needs or desired investment horizons, conflicts will arise with respect to the manner in which the voting or governance rights with respect to an aggregating entity (or similar entity) are exercised, potentially resulting in an adverse impact on the Sub-Fund.

Other Co-Investment Considerations

The commitment of Co-Investors to an investment made by the Sub-Fund could be substantial and will involve risks not present in investments where such Co-Investors are not involved. While Co-Investors typically bear their share of fees, costs and expenses related to the discovery, investigation, development, acquisition or consummation, ownership, maintenance, monitoring and hedging of their co-investments for consummated investments, such fees, costs and expenses could be borne solely by the Sub-Fund until such co-investment closes (or permanently if such co-investment does not close). For example, the Sub-Fund is permitted to engage in *bona fide* Hedging Transactions in connection with the acquisition, holding, financing, refinancing or disposition of investments, including foreign currency hedging, swaps and other derivative contracts or instruments. Such hedging activity would be expected to, among other times, take place after an agreement to acquire a particular investment has been signed but before the transaction closes. In circumstances where Co-Investors participate in an investment after it closes, the Sub-Fund would bear a disproportionate amount of the costs and risks associated with such hedging activity until such time that the Co-Investors contribute their share of fees, costs and expenses. Co-Investors (other than KKR proprietary Balance Sheet entities and Co-Investors established principally for the benefit of KKR Personnel, Advisors, Capstone Executives and other associated persons of the AIFM or the KKR Group) typically will not bear Broken Deal Expenses if the relevant investment is not consummated. These expenses will be allocated to the primary investment vehicles or accounts focusing on the relevant strategy (which could include the Sub-Fund) and/or the Sub-Fund, Other KKR Funds and/or KKR proprietary vehicles that would have participated in the relevant transaction as described above under "— *Expenses*".

The Sub-Fund can provide guarantees or other credit support to Portfolio Companies or entities through which investments in Portfolio Companies are made. Where Co-Investors or other third-party investors participate in an investment, the Sub-Fund will (where the General Partner deems appropriate) guarantee an amount in excess of its proportionate interest in the investment, including amounts in respect of the interests of Co-Investors or other third parties, which could remain outstanding on a temporary or ongoing basis over the term of the investment. In these circumstances the Sub-Fund will bear a disproportionate amount of the liabilities and costs associated with the relevant guarantee or other credit support.

Under certain circumstances, a KKR Group proprietary entity could seek to hold a co-investment interest when the Sub-Fund sells, due to differences in strategy, asset allocation objectives or liquidity needs. The KKR Group would endeavour to determine whether there would be a negative impact on the valuations of the Sub-Fund prior to implementing a hold strategy for a KKR Group proprietary account. However, there can be no assurances that such variations in timing of investment dispositions will not result in a difference in performance for such entities, which could mean better performance for such KKR Group proprietary entity.

Preferential Terms Applicable to Other KKR Funds and Co-Investors

Strategic Investors

The KKR Group has also established and will in the future establish strategic partnerships, accounts or other multi-strategy or multi-asset class arrangements or investment programs for investors that commit capital to a range of the KKR Group's platform of products, investment ideas and asset classes (including the strategy of the Sub-Fund). Such arrangements are expected to include the KKR Group granting

certain preferential terms to such investors, including blended fee and carried interest or incentive fee rates that are lower than those applicable to the Sub-Fund when applied to the entire strategic partnership, the right to participate in investment reviews and evaluation processes, and training by the KKR Group of personnel of the investor. Where such Shareholders participate in the Sub-Fund through dedicated investment vehicles or accounts as part of such arrangements, such vehicles and accounts are expected to be granted terms, including management fees, carried interest or incentive fees, that are more favourable than those applicable to other Shareholders notwithstanding that the investment of the relevant Shareholders to such vehicles or accounts and/or the investments in the Sub-Fund by such vehicles or accounts could be smaller than other Shareholders' investments in the Sub-Fund. Where management fees, carried interest and incentive fees are applicable at the level of such vehicles and accounts, such terms could include a waiver of management fees and incentive fees on their investment in the Sub-Fund. In addition, the KKR Group has entered into, and expects that in the future it will enter into, written contractual arrangements with certain investors (or Affiliates thereof) that could entitle such investors to economic benefits in respect of the Sub-Fund and/or Other KKR Funds in consideration of the aggregate investments made in Other KKR Funds by such investors (or their Affiliates) in excess of a specified threshold and within a specified time period. Such arrangements will generally entitle such investors to receive preferential terms, including management fee, carried interest and/or incentive fee rates that are lower than those that would apply to an investment in the Sub-Fund in the absence of such arrangements.

Provision of Portfolio-Level Information

The terms of Other KKR Funds investing alongside the Sub-Fund in some or all of its portfolio investments, or the investment terms otherwise agreed by the KKR Group with specific investors investing in such Other KKR Funds, could include making available to investors in such Other KKR Funds greater and/or more frequent information with respect to such investments than is provided to Shareholders by the Sub-Fund. While the KKR Group will generally take the interests of the Sub-Fund and other impacted funds, vehicles and accounts into account in agreeing such terms, and will not agree to such terms where they believe the provision of such information would materially adversely impact the Sub-Fund and/or such other funds, vehicles or accounts, the receipt of such information could nonetheless put such investors in a favourable position relative to Shareholders. Such investors will, in particular, be in a more favourable position with respect to the exercise of any liquidity rights relating to their interests in the Sub-Fund and such Other KKR Funds (e.g., their right to redeem Shares or sell Shares) which they could seek to exercise ahead of the other Shareholders on the basis of the enhanced information made available to them, which for example could in turn result in such investors being better positioned to mitigate losses on their interests where the enhanced information relates to non-performing investments.

Competing Interests; Allocation of Resources

As noted above under "— *KKR's Investment Advisory and Proprietary Activities*," the KKR Group could make investments on behalf of itself and/or Other KKR Funds that are competitive to the Sub-Fund's investments (for example, an Other KKR Fund could invest in an issuer (in which, for these purposes, the Sub-Fund will have no interest) that competes with a Portfolio Company of the Sub-Fund). In providing advice and recommendations to, or with respect to, such investments and in dealing in such investments on behalf of such Other KKR Funds or the KKR Group, to the extent permitted by law, the KKR Group will not take into consideration the interests of the Sub-Fund and its portfolio investments and issuers thereof. Accordingly, such advice, recommendations and dealings could result in adverse consequences to the Sub-Fund or its investments.

Conflicts of interest will also arise in allocating time, services, or resources among the investment activities of the Sub-Fund, Other KKR Funds, the KKR Group and the senior officers of the KKR Group. Although the General Partner, the AIFM and the Investment Manager will devote such time as could be necessary to conduct the business affairs of the Sub-Fund in an appropriate manner, the General Partner, the AIFM, the Investment Manager and its Affiliates will continue to devote the resources necessary to manage the investment activities of the KKR Group, Other KKR Funds and the executives of the KKR Group and, therefore, conflicts will arise in the allocation of time, services and resources. The KKR Group (including the General Partner, the AIFM and the Investment Manager) is not precluded from conducting activities unrelated to the Sub-Fund. The General Partner, the AIFM and the KKR Group believe that these other activities will not materially interfere with their responsibilities to the Sub-Fund. Additionally, the Sub-Fund could engage in transactions, including the sale of portfolio investments, to persons or entities who are actual or potential Shareholders in the Sub-Fund or in Other KKR Funds.

The Sub-Fund will be required to establish business relationships with its counterparties based on the Sub-Fund's own credit standing. The KKR Group will not have any obligation to allow its credit to be used in connection with the Sub-Fund's establishment of its business relationships, nor is it expected that the Sub-Fund's counterparties will rely on the credit of the KKR Group in evaluating the Sub-Fund's creditworthiness.

In addition, in providing services in respect of such Portfolio Companies and other issuers, the KKR Group could, from time to time, come into possession of information that it is prohibited from acting on (including on behalf of the Sub-Fund) or disclosing as a result of applicable confidentiality requirements or applicable law, even though such action or disclosure would be in the interests of the Sub-Fund.

To the extent not restricted by confidentiality requirements or applicable law, the KKR Group could, from time to time, apply experience and information gained in providing services to Portfolio Companies and other issuers of Sub-Fund investments to provide services to competing Portfolio Companies or issuers of KKR proprietary entities or Other KKR Funds, which could have adverse consequences for the Sub-Fund or its portfolio investments (*see also* "*— Limitations on Information Sharing within KKR; Possession of Material Non-Public Information; Other Limitations on Leveraging Firm-Wide Resources*" below). In addition, the KKR Group will receive various kinds of Portfolio Company/entity data and information (including from issuers of portfolio investments of the Sub-Fund and Other KKR Funds), including information relating to business operations, trends, budgets, customers and other metrics. As a result of information learned from such issuers, the KKR Group will likely be better able to anticipate macroeconomic and other trends, and otherwise develop investment themes. In furtherance of the foregoing, the KKR Group could, from time to time, seek to enter into information sharing and use arrangements with such issuers. The KKR Group believes that access to this information will further the interests of the Shareholders by providing opportunities for operational improvements across such issuers and for the KKR Group to otherwise utilize such information in connection with the Sub-Fund's investment management activities. Subject to appropriate contractual arrangements and the KKR Group's policies and procedures on the proper handling of private and confidential information, the KKR Group expects to also utilize such information outside of the Sub-Fund's activities in a manner that provides a material benefit to Other KKR Funds and the KKR Group in which the Sub-Fund does not participate. For example, information from a Portfolio Company in which the Sub-Fund has invested could enable the KKR Group to better understand a particular industry and execute trading and investment strategies in reliance on that understanding for the KKR Group or Other KKR Funds that do not own an interest in such Portfolio Company, without compensation or benefit to the Sub-Fund or the Portfolio Companies, holding vehicles and other issuers in or through which it invests. In addition, as discussed below, the acquisition of certain confidential or material, non-public information could limit the ability of the Sub-Fund to buy or sell particular securities. The benefits received by the KKR Group from any such arrangements will not be subject to the management fee offset provisions or otherwise shared with Shareholders. As a result, the General Partner will have an incentive to pursue investments in Portfolio Companies or other issuers based on data and information generated by such investments and/or to utilize data and such information in a manner that benefits the KKR Group or Other KKR Funds but not the Sub-Fund.

The KKR Group engages in a broad range of business activities and invests in Portfolio Companies and other issuers whose operations are expected to be substantially similar to the issuers of the Sub-Fund's portfolio investments. The performance and operation of such competing businesses could conflict with and adversely affect the performance and operation of the issuers of the Sub-Fund's portfolio investments and could, in such circumstances, adversely affect the prices and availability of business opportunities or transactions available to these issuers.

It is possible that KKR Personnel, Advisors, KKR Capstone (and other Technical Consultants) personnel and other consultants serve on the boards of Portfolio Companies and other issuers of the Sub-Fund's portfolio investments and in such capacity receive directors' fees that are retained in whole or in part by the relevant individuals. KKR Personnel, Advisors, KKR Capstone (and other Technical Consultants) personnel and other consultants could, from time to time, also serve as directors or interim executives of, or otherwise be associated with, companies that are competitors of certain issuers of the Sub-Fund's portfolio investments. In such cases, such individuals will be subject to fiduciary and other obligations to make decisions that they believe to be in the best interests of the relevant companies. In most cases involving Portfolio Companies and other issuers of the Sub-Fund's portfolio investments, given that the Sub-Fund would generally be a significant investor in such issuers, the interests of the Sub-Fund and such

issuers would generally be expected to be aligned, although this will not always be the case, particularly if such Portfolio Companies or other issuers are likely to be in financial difficulty. It would also be expected that the interests of a competitor company would often not be aligned with those of the Sub-Fund or its Portfolio Companies or other issuers of its portfolio investments. This will result in a conflict between the relevant individual's obligations to an issuer or competitor company and the interests of the Sub-Fund. Such conflict could be addressed to the detriment of the competitor company and the interests of the Sub-Fund. In some circumstances, having KKR Personnel serve as directors or interim executives of the issuer of a portfolio investment of the Sub-Fund or another company (including, for these purposes, a Portfolio Company of a proprietary KKR entity or any Other KKR Fund) could restrict the ability of the Sub-Fund to invest directly in an investment opportunity that also constitutes an investment opportunity for such company.

Affiliated Shareholders

Certain Shareholders, including current and/or former senior advisors, officers, directors, personnel and/or other key advisors/relationships (including operating partners, executives, founders and entrepreneurs and personnel of the KKR Group, Portfolio Companies of the Sub-Fund and charitable programs, endowment funds and related entities established by or associated with any of the foregoing (including any trusts, family members, family investment vehicles, estate planning vehicles, descendant trusts and other related persons or entities), and other persons related to KKR, may receive preferential terms in connection with their investment in or alongside the Sub-Fund. Specific examples of such preferential terms received by certain affiliated Shareholders may include, among others, discounts on Management Fees and Incentive Fees. In addition, by virtue of their affiliation with the KKR Group, affiliated Shareholders will have more information about the Sub-Fund and portfolio investments than other Shareholders and will have access to information (including, but not limited to, valuation reports) in advance of communication to other Shareholders. As a result, such affiliated Shareholders will be able to take actions on the basis of such information which, in the absence of such information, other Shareholders do not take. Finally, to the extent affiliated Shareholders submit Redemption Requests in respect of their Shares in the Sub-Fund, conflicts of interest will arise and the AIFM's or the Investment Manager's affiliation with such Shareholders could influence the AIFM's or the Investment Manager's determination to exercise its discretion whether to satisfy, reject or limit any such requested redemption. While such affiliated Shareholders and/or the Sub-Fund will seek to adopt policies and procedures to address such conflicts of interest, there can be no assurance that the conflicts of interest described above will be resolved in favour of the Sub-Fund or other Shareholders.

Limitations on Information Sharing within KKR; Possession of Material Non-Public Information; Other Limitations on Leveraging Firm-Wide Resources

The KKR Group has adopted information-sharing policies and procedures that address both (i) the handling of confidential information and (ii) the information barrier that exists between the public and private sides of the KKR Group. The KKR Group credit and public equity professionals (i.e., those engaged by KKR Credit) are generally on the public side of the KKR Group, although some members of the KKR Credit investment teams are also on the private side of the KKR Group (i.e., part of the "KKR Private Markets" business). The KKR Group's private equity, growth equity, energy, infrastructure and real estate investment professionals as well as Private Markets' professionals and Advisors are on the private side of the KKR Group, the AIFM and the KKR Group's broker-dealer professionals are on the private or public side of the KKR Group depending on their roles. The KKR Group has compliance functions to administer the KKR Group's information-sharing policies and procedures and monitor potential conflicts of interest. Although the Sub-Fund plans to leverage the KKR Group's Firm-wide resources to help source, conduct due diligence on, structure, syndicate and create value for the Sub-Fund's investments, the KKR Group's information-sharing policies and procedures, as well as certain legal, contractual and tax constraints that could also be applicable, could significantly limit the Sub-Fund's ability to do so. For example, from time to time, the KKR Private Markets' or KKR Capital Markets' professionals could be in possession of material non-public information with respect to the Sub-Fund's Portfolio Companies or potential Portfolio Companies (particularly, but not limited to, where the Sub-Fund invests or proposes to invest in companies in which an Other KKR Fund holds equity), and, as a result, such professionals will be restricted by the KKR Group's information-sharing policies, or by law or contract, from sharing such information with the KKR Group professionals responsible for making the Sub-Fund's investment decisions, even where the disclosure of such information would be in the best interests of the Sub-Fund or would otherwise influence the decisions taken by such investment

professionals with respect to such investment or potential investment. Accordingly, as a result of such restrictions, the investment activities of the KKR Group's other businesses could differ from, or be inconsistent with, the interests of and activities that are undertaken for the account of the Sub-Fund, and there can be no assurance that the Sub-Fund will be able to fully leverage all of the available resources and industry expertise of the KKR Group's other businesses. Additionally, there could be circumstances in which one or more individuals associated with the KKR Group, including investment professionals and committee members otherwise involved in the investment activities of the Sub-Fund, will be precluded from providing services to the Sub-Fund or from being involved in specific investment-related activities or decisions because of certain confidential information available to those individuals or to other parts of the KKR Group or because of other applicable legal or regulatory restrictions which result from their involvement in activities of Other KKR Funds. In such circumstances, applicable legal or regulatory restrictions (or applicable information barrier or other related compliance policies) could require such investment professionals to recuse themselves from the relevant Fund committees or otherwise from participating in investment activities or decisions relating to the Sub-Fund's investments or alternatively, the KKR Group (including the AIFM) could determine that such investment professionals should so recuse themselves to ensure that they can participate in the investment activities and decisions of Other KKR Funds. The Sub-Fund could be adversely impacted in such circumstances.

While the KKR Group has established information barriers between its public and private sides as described above, the KKR Group does not, separately within each such division generally establish information barriers between internal investment teams. In addition, information can be shared or "wall crossed" between the public and private sides of the KKR Group pursuant to the KKR Group's information barrier procedures.

The nature of the KKR Group's business, including, without limitation, participation by KKR Personnel in creditors' committees, steering committees or boards of directors of Portfolio Companies and other issuers of portfolio investments and potential portfolio investments, results in it receiving material non-public information from time to time with respect to publicly held companies or otherwise becoming an "insider" with respect to such companies. As noted above, with limited exceptions the KKR Group does not establish information barriers between its internal investment teams. Trading by members of the KKR Group on the basis of such information, or improperly disclosing such information, can be restricted pursuant to applicable law and/or internal policies and procedures adopted by the KKR Group to promote compliance with applicable law. Accordingly, the possession of "inside information" or "insider" status with respect to such an issuer by the KKR Group or KKR Personnel will likely in certain circumstances, including where an appropriate information barrier does not exist between the relevant investment professionals or has been "crossed" by such professionals, significantly restrict the ability of the General Partner, the AIFM and the Investment Manager to deal in the securities of that issuer on behalf of the Sub-Fund, which will adversely impact the Sub-Fund, including by preventing the execution of an otherwise advisable purchase or sale transaction in a particular security until such information ceases to be regarded as material non-public information, which could have an adverse effect on the overall performance of such investment. In addition, members of the KKR Group in possession of such information will, in certain circumstances, be prevented from disclosing such information to other members of the KKR Group, including the AIFM, even where the disclosure of such information would be in the interests of the Sub-Fund. The KKR Group could also be subject to contractual standstill obligations and/or confidentiality obligations that restrict its ability to trade in certain securities on behalf of the Sub-Fund.

In certain circumstances, the Sub-Fund, the General Partner, the AIFM or the Investment Manager could engage an independent agent to dispose of securities of issuers in which the KKR Group would be deemed to have material non-public information on behalf of the Sub-Fund. Such independent agent could dispose of the relevant securities for a price that could be lower than the General Partner's, the AIFM's or the Investment Manager's valuation of such securities which would otherwise take into account the material non-public information known to the KKR Group in respect of the relevant issuer.

Other Affiliate Transactions

To the extent permitted by applicable law, the KKR Group could engage in transactions with the Sub-Fund and its Affiliates by causing the Sub-Fund to purchase investments from or through the KKR Group as principal or to co-invest with the KKR Group and Other KKR Funds in portfolio investments or to invest in entities in which the KKR Group holds material interests. In particular, the Sub-Fund could

purchase from the KKR Group investments in Portfolio Companies and other issuers that have been previously made by the KKR Group and that are within the Sub-Fund's investment objectives. The Sub-Fund could also make investments from time to time in transactions where a member of the KKR Group that is a registered broker-dealer is acting as agent, broker, principal, arranger or syndicate manager or member on the other side of the transaction or for other parties in the transaction to the extent that the General Partner, the AIFM or the Investment Manager believe in good faith that the terms of such transactions, taken as a whole, are appropriate for the Sub-Fund and are otherwise in accordance with applicable law (*see also* "*— Broker-Dealer Activities*" below).

The Sub-Fund is permitted to borrow money from multiple lenders, including the KKR Group, to facilitate the making and holding of one or more portfolio investments. Although the General Partner will approve such transactions only on terms, including the consideration to be paid, that are determined by the General Partner in good faith to be appropriate for the Sub-Fund, it is possible that the KKR Group's interests as a lender could be in conflict with those of the Sub-Fund and the interests of the Shareholders. The General Partner, the AIFM and the Investment Manager, which are responsible for pursuing the Sub-Fund's investment objectives, are under common control with the KKR Group and will encounter conflicts where, for example, a decision regarding the acquisition, holding or disposition of an investment is considered attractive or advantageous for the Sub-Fund yet poses a risk of economic loss of principal to the KKR Group as lender. If such conflicts arise, potential investors should be aware that the KKR Group can act to protect its own interests as a lender ahead of the Sub-Fund's investment interests.

In addition to providing such financing, the KKR Group, including KKR Group broker dealers, is permitted to participate in the origination, arranging or structuring of debt financing for the Sub-Fund and could receive origination fees, arranging fees, structuring fees and similar fees from the Sub-Fund for such services. Where such financing is obtained through the issuance of debt (or debt and equity) securities by any special purpose vehicle or other entity (including any issuer of CLOs) established for the purpose of facilitating such financing by the Sub-Fund, the KKR Group could receive placement fees in connection with the placement or syndication of such securities. Any such fees and any interest and fees charged to the Sub-Fund (or any special purpose vehicles or other entities established to accommodate such financing) will not be offset against the Management Fees or Incentive Fees or otherwise shared with the Sub-Fund. In connection with selling portfolio investments by way of a public offering of such investments, a KKR Group broker-dealer could act as the managing underwriter or a member of the underwriting syndicate in respect of such offering on a firm commitment basis. The KKR Group could also, on behalf of the Sub-Fund, effect transactions, including transactions in the secondary markets where the KKR Group is also acting as a broker or other advisor on the other side of the same transaction (such transactions are generally known as "agency cross transactions"). Even where the KKR Group does not receive commissions from such agency cross-transactions, it could nonetheless have a potential conflict of interest regarding the Sub-Fund and the other parties to those transactions to the extent it receives commissions or other compensation from such other parties (*see also* "*— Broker-Dealer Activities*" below). The KKR Group would be expected to retain any commissions, remuneration or other profits made in such transactions. The General Partner and the AIFM will approve any transactions in which an affiliated broker-dealer of the KKR Group acts as an underwriter, as broker for the Sub-Fund or as broker or advisor on the other side of a transaction with the Sub-Fund only where the General Partner and the AIFM believe in good faith that such transactions are appropriate for the Sub-Fund and, by executing an Application Form, a Shareholder will consent to all such transactions, along with the other transactions involving conflicts of interest described herein, to the fullest extent permitted by law.

Cross Transactions

The General Partner is permitted to and intends, from time to time, to seek to effect Cross Transactions. As discussed in Section XI, "*Management and Administration of the Fund*" of this Memorandum, any Cross Transaction in respect of marketable securities will be entered into in accordance with KKR Credit's policies and procedures in respect thereof in effect at such time. In connection with any Cross Transaction involving non-marketable securities, the General Partner will (i) obtain a third-party fairness opinion from an independent, professionally recognised investment bank or valuation expert that opines as to the fairness, from a financial point of view, of such Cross Transaction to the Fund (or sub-fund, as applicable) and the relevant Other KKR Fund or (ii) the prior approval of the Independent Client Representative in respect of such Cross Transaction.

A KKR proprietary entity could acquire an asset of a Portfolio Company or other issuer in which the Sub-Fund invests on terms negotiated with the management of such Portfolio Company or other issuer. These transactions do not constitute principal transactions or Cross Transactions that are subject to the restrictions applicable to such transactions.

In addition, two or more Portfolio Companies or other issuers in which the Sub-Fund and/or Other KKR Funds, KKR proprietary vehicles and/or other persons (collectively, "**Other Participants**") hold an interest could merge or otherwise enter into a business or asset combination transaction (such merged or combined companies, businesses or assets, the "**Successor Company**"). In such transactions, the Sub-Fund and such Other Participants could have varying or no interests in any of such Portfolio Companies or other issuers participating in such merger or combination. Following such merger or combination, the Sub-Fund and the Other Participants will exchange for or otherwise hold or receive securities and other instruments issued by the Successor Company. If any of the Portfolio Companies or other issuers (or their relevant businesses or assets) are under- or over- valued in connection with such merger or combination, the Sub-Fund and or any of such Other Participants could receive too great or too small an interest in the Successor Company, which could adversely impact the Sub-Fund and/or such Other Participants and which could otherwise be viewed as causing an indirect transfer of value as between the Sub-Fund and such Other Participants. Notwithstanding such transfer, such merger or combination transactions generally will not constitute or otherwise be treated by the Sub-Fund as principal or Cross Transactions that are subject to any restrictions applicable to such transactions described in this Memorandum.

Finally, as described above under "*— No Assurance of Ability to Participate in Investment Opportunities; Relationship with KKR, its Affiliates and Other KKR Funds; Allocation of Investment Opportunities*", Other KKR Funds and/or members of the KKR Group can directly or indirectly provide financing to third parties that is used to fund the refinancing of loans and other debt positions held by the Sub-Fund and vice versa. Such financing shall not constitute or otherwise be treated by the Sub-Fund as principal or Cross Transactions that are subject to any restrictions applicable to such transactions described in this Memorandum.

To the extent that any of the above transactions are appropriate investments for the Sub-Fund, as well as an Other KKR Fund or KKR proprietary account, the KKR Group will allocate such transactions in accordance with the allocation procedures described above under "*— No Assurance of Ability to Participate in Investment Opportunities; Relationship with KKR, its Affiliates and Other KKR Funds; Allocation of Investment Opportunities*." For instance, it is possible for such opportunities to be allocated, in accordance with the allocation procedures described above, solely to a KKR Group proprietary entity (including, for instance, the Balance Sheet) instead of the Sub-Fund or vice-versa.

Valuation Matters

The fair value of all investments of the Sub-Fund will ultimately be determined by the AIFM in accordance with this Memorandum and the AIFM's valuation policy. It will, in certain circumstances, be the case that the value of an investment for the purposes of the calculation of the Net Asset Value upon which Management Fees and Incentive Fees are based in addition to the price at which Shares are issued and redeemed may not reflect the price at which the investment is ultimately sold in the market, and the difference between the value of an investment for the purposes of the calculation of the Net Asset Value and the ultimate sale price could be material. The valuation methodologies used to value any portfolio investment will involve subjective judgments and projections and may, in certain circumstances, not be accurate. Valuation methodologies will also involve assumptions and opinions about future events, which may or may not turn out to be correct. Valuation methodologies may permit reliance on a prior period valuation of particular portfolio investments. Ultimate realization of the value of an asset depends to a great extent on economic, market and other conditions beyond the AIFM's control. There will be no retroactive adjustment in the valuation of any portfolio investment, the price at which Shares were purchased or redeemed by Shareholders or Management Fees or Incentive Fees to the extent any valuation proves to not accurately reflect the realizable value of an asset in the Sub-Fund. The valuation of portfolio investments will affect the amount and timing of Incentive Fees and the amount of the Management Fee payable by the Sub-Fund. *See also* Section XII, "*Risk Factors*" of this Memorandum.

The valuation of investments of Other KKR Funds (as well as the Sub-Fund) will, in certain circumstances, affect the decision of potential Shareholders to subscribe for Shares. Similarly, the

valuation of the Sub-Fund's portfolio investments will, in certain circumstances, affect the ability of KKR to form and attract capital to Other KKR Funds. As a result, there may be circumstances in which the AIFM and the Investment Manager are incentivized to defer realization of portfolio investments, make more speculative portfolio investments, seek to deploy capital in portfolio investments at an accelerated pace, hold portfolio investments longer and/or the AIFM is incentivized to determine valuations that are higher than the actual fair value of portfolio investments, which generally remains in the sole discretion of the AIFM and its Affiliates. In particular, given that the amount of Management Fees and Incentive Fees will be dependent on the valuation of non-marketable securities, which will be determined by the AIFM, the AIFM could be incentivized to value the securities higher than if Management Fees and Incentive Fees were not based on the valuation of such securities. The foregoing conflicts arising from valuation matters will not necessarily be resolved in favour of the Sub-Fund, and Shareholders may not be entitled to receive notice or disclosure of the occurrence of these conflicts (except as provided above) (*see* "*— Incentive Fees; Management Fees*" below).

Charitable Donations and Political Activities

The General Partner could, from time to time, cause the Sub-Fund and/or its Portfolio Companies to make contributions to charitable initiatives or other non-profit organizations that the General Partner believes could, directly or indirectly, enhance the value of the Sub-Fund's portfolio investments or otherwise serve a business purpose for, or be beneficial to, the Sub-Fund's Portfolio Companies. Such contributions could be designed to benefit employees of a Portfolio Company or the community in which a property is located or in which the Portfolio Company operates. In certain instances, such charitable initiatives could be sponsored by, affiliated with or related to current or former employees of the KKR Group, operating partners, joint venture partners, Portfolio Company management teams and/or other persons or organizations associated with the KKR Group, the Sub-Fund or the Sub-Fund's Portfolio Companies. These relationships could influence the General Partner in deciding whether to cause the Sub-Fund or its Portfolio Companies to make charitable contributions. Further, such charitable contributions by the Sub-Fund or its Portfolio Companies could supplement or replace charitable contributions that the KKR Group would have otherwise made. Also, in certain instances, the General Partner could, from time to time, select another finance provider and/or service provider to the Sub-Fund or its portfolio investments based, in part, on the charitable initiatives of such finance provider or service provider where the General Partner believes such charitable initiatives could, directly or indirectly, enhance the value of the Sub-Fund's portfolio investments or otherwise serve a business purpose for, or be beneficial to, the Sub-Fund's Portfolio Companies, and even where the economic terms of such loan or service arrangement are otherwise less favourable than the terms offered by another finance provider or service provider that does not engage in such charitable initiatives.

A Portfolio Company could, in the ordinary course of its business, make political contributions to elected officials, candidates for elected office or political organizations, hire lobbyists or engage in other permissible political activities in U.S. or non-U.S. jurisdictions with the intent of furthering its business interests or otherwise. Portfolio companies are not considered Affiliates of the General Partner, and therefore such activities are not subject to relevant policies of the General Partner and could be undertaken by a Portfolio Company without the knowledge or direction of the General Partner. In other circumstances, there could be initiatives where such activities are coordinated by the KKR Group for the benefit of the Portfolio Companies. The interests advanced by a Portfolio Company through such activities could, in certain circumstances, not align with or be adverse to the interests of other Portfolio Companies, the Sub-Fund or the Shareholders. The costs of such activities could be allocated among Portfolio Companies. While the costs of such activities will typically be borne by the Portfolio Company undertaking such activities, such activities could also directly or indirectly benefit other Portfolio Companies, the Sub-Fund, Other KKR Funds or the KKR Group.

Any such charitable or political contributions made by the Sub-Fund or its Portfolio Companies, as applicable, which could reduce the Sub-Fund's returns in respect of the relevant portfolio investment, will not be shared with the Sub-Fund or offset the Incentive Fees or Management Fee paid by the Sub-Fund. There can be no assurance that any such activities will actually be beneficial to or enhance the value of the Sub-Fund or its Portfolio Companies, or that the General Partner will be able to resolve any associated conflict of interest in favour of the Sub-Fund.

Placement Activities

KKR Personnel involved in the marketing and placement of the Shares are acting for the General Partner or the AIFM and not acting as investment, tax, financial, legal or accounting advisors to potential investors in the Sub-Fund in connection with the offering of the Shares. Potential investors must independently evaluate the offering and make their own investment decisions.

The KKR Group could, from time to time, offer on an agency basis for third parties, including, without limitation, unaffiliated fund sponsors in which the KKR Group or its Affiliates have a minority ownership interest, interests in other pooled investment vehicles that have as their primary investment objective investments that are substantially similar to the types of investments to be made by the Sub-Fund and, in connection with any such offering, would be expected to receive customary compensation, including an interest in such vehicles (*see* "— *KKR Stakes and Seed Business*" above). Placement agents or other financial intermediaries can also receive other compensation, including placement fees with respect to the acquisition of Shares by Shareholders. Such agents or intermediaries will have an incentive in promoting the acquisition of Shares in the Sub-Fund in preference to products with respect to which they receive a smaller fee. Prospective investors should take the existence of such fees and other compensation into account in evaluating an investment in the Sub-Fund.

Broker-Dealer Activities

The KKR Group includes a number of entities that act as broker-dealers. Such broker-dealers (including their respective related lending vehicles) will, from time to time, manage or otherwise participate in underwriting syndicates and/or selling groups with respect to issuers of the Sub-Fund's portfolio investments or will otherwise be involved in the private placement of debt or equity securities or instruments issued by such issuers or any holding vehicles (including non-controlled entities) in or through which the Sub-Fund invests in such issuers, which activities could include, for example, placing securities issued by such issuers with Co-Investors (as described in "— *Co-Investments*" above), or otherwise in arranging or providing financing for such issuers alone or with other lenders including the Sub-Fund and Other KKR Funds (*see also* "— *KKR-Affiliated Service Providers; Fees*" above). In particular, KKR Capital Markets is expected to participate actively in the financing of the Sub-Fund's portfolio investments, including, for example, by arranging for senior financing that is secured by pools of ABF investments held by the Sub-Fund and by arranging and placing debt issued by CLOs established for the purposes of financing the Sub-Fund's portfolio investments (*see* "— *Other Affiliate Transactions*" above). KKR Group broker-dealers could, as a consequence of such activities, hold positions in instruments and securities issued by the issuers of the Sub-Fund's portfolio investments, enter into obligations to acquire such instruments or securities, and could engage in transactions that could also be appropriate investments for the Sub-Fund. Subject to applicable law, such broker-dealers will generally receive underwriting fees, placement fees and commissions, syndication fees, financing fees, interest payments or other compensation with respect to such activities, which are not required to be shared with the Sub-Fund or the Shareholders. In certain circumstances, where a KKR Group broker is participating in underwriting and financing transactions, it could be doing so as lead or sole arranger in which case it will be responsible for establishing the relevant fees and other payments charged to the Sub-Fund's Portfolio Companies or other issuers in which it invests. In addition, the Sub-Fund could be prevented from participating in an investment as a result of a KKR Group broker participating in such underwriting or financing transactions. Where a KKR Group broker-dealer serves as underwriter with respect to an issuer's securities, the Sub-Fund could be subject to a "lock-up" period following the offering under applicable regulations or agreements during which time its ability to sell any securities that it continues to hold is restricted. This would prejudice the Sub-Fund's ability to dispose of such securities at an opportune time.

In addition, circumstances could arise where following the Sub-Fund's investment in a Portfolio Company or other issuer, such issuer becomes distressed and the participants in the relevant offering have a valid claim against the underwriters of the relevant offering. Such underwriters could include a member of the KKR Group, in which case the Sub-Fund would have a conflict in determining whether to sue a KKR Group broker-dealer. Where such underwriters include non-affiliated broker-dealers, the Sub-Fund will also have a conflict in determining whether to bring a claim because of concerns regarding the relationships of the KKR Group with such non-affiliated broker-dealers, which could relate to and otherwise benefit Other KKR Funds and/or KKR and its proprietary entities and not the Sub-Fund.

The KKR Group could in the future develop new businesses such as providing investment banking, advisory and other services to corporations, financial sponsors, management or other persons. Such

services could relate to transactions that could give rise to investment opportunities that are suitable for the Sub-Fund. In such case, the KKR Group's client would typically require the KKR Group to act exclusively on its behalf, thereby precluding the Sub-Fund from participating in such investment opportunities. The KKR Group would not be obligated to decline any such engagements in order to make an investment opportunity available to the Sub-Fund. In addition, the KKR Group could come into the possession of information through these new businesses that limits the Sub-Fund's ability to engage in potential transactions.

Incentive Fees; Management Fees

The entitlement of the AIFM and the Investment Manager, respectively, to receive Management Fees and Incentive Fees will create an incentive for the AIFM and the Investment Manager to make riskier or more speculative investments on behalf of the Sub-Fund than would be the case in the absence of this arrangement. In addition, the manner in which Management Fees and Incentive Fees are determined is expected to result in a conflict between their interests and the interests of Shareholders with respect to the sequence and timing of disposals of investments.

The Investment Manager and the AIFM (as the delegate of the General Partner) will be primarily responsible for the valuation of the Sub-Fund's investments. The Investment Manager and the AIFM have a conflict of interest with respect to such valuations because the amount of Management Fees and Incentive Fees, and in certain respects the timing of Incentive Fees, will depend in part on the value of the investments. In addition, in the event that the Sub-Fund makes any in-kind distribution to the Shareholders as a whole or to any Shareholder in particular, the fair market value of such property will be determined by the Investment Manager and/or the AIFM. If the valuations made by the Investment Manager and/or the AIFM are incorrect (including both with respect to an in-kind distribution or with respect to the fair value of investments that continue to be held by the Sub-Fund), Management Fees and Incentive Fees, or the timing of receipt of Incentive Fees (as well as the price upon which Shares are issued and redeemed by the Sub-Fund), could also be incorrect. An independent valuation or appraisal generally will not be required and is not expected to be obtained in connection with in-kind distributions. The Investment Manager and/or the AIFM could be motivated to overstate valuation in order to: (i) improve the Sub-Fund's track record or (ii) minimize losses from write-downs that must be returned prior to the General Partner receiving incentive fees (*see also* "— *Valuations*" above).

Under certain circumstances, a KKR proprietary entity could seek to hold a co-investment interest when the Sub-Fund sells, due to differences in strategy, asset allocation objectives or liquidity needs. The KKR Group would endeavour to determine whether there would be a negative impact on the valuations of the Sub-Fund prior to implementing a hold strategy for a KKR proprietary account. However, there can be no assurances that such variations in timing of investment dispositions will not result in a difference in performance for the Sub-Fund and any such proprietary entity, which could mean better performance for the KKR proprietary entity.

The payment of Management Fees and Incentive Fees to the AIFM and the Investment Manager, respectively, will give rise to an incentive for the AIFM and the Investment Manager to cause the Sub-Fund to hold on to investments that have poor prospects for improvement in order to receive ongoing Management Fees and a potential larger Incentive Fee.

In the event of any error by the Investment Manager and/or the AIFM in the calculation of the Management Fee or the Incentive Fee, the General Partner and the AIFM will endeavour to correct such error as soon as reasonably practicable, including by refunding any excess amounts, netting such amount out of subsequent amounts payable to the AIFM and/or the Investment Manager or by taking such other actions as the General Partner or the AIFM determines are reasonably necessary. Any decision to reimburse is not precedential and should not create the expectation of any reimbursement in the future. Any determination as to whether an error occurred and as to what remedial action to take, if any, is made by the General Partner and the AIFM in their sole discretion and shall be final and binding in all respects. Interest will not accrue on any such amounts paid or netted out of subsequent amounts between the Investment Manager and/or the AIFM and the Sub-Fund to rectify any such error.

Employee Co-Investment Program

The KKR Group currently employs incentive programs under which eligible KKR Personnel and employees of KKR Capstone and other associates of the KKR Group are typically entitled to receive additional allocations of carried interest with respect to portfolio investments based on the amount of such persons' capital commitments to a KKR vehicle (the "**DAW Program**"). In addition, the KKR Group will obtain a revolving credit facility in order to establish a loan program through which certain eligible KKR Personnel and employees of KKR Capstone and other associates of the KKR Group will be offered "leverage" to fund up to 50% of their commitments to any KKR vehicle established to invest alongside or into the Sub-Fund. In combination with the DAW Program, leverage provided under the loan program will incentivize KKR Personnel to make larger commitments to any KKR vehicle than they would have absent such programs, and such leverage, while having the effect of increasing the potential returns to such participating KKR Personnel and other persons (the "**Participants**"), will also magnify the potential losses realized by those investors. Further, the loan program will be available to facilitate the investment by eligible KKR Personnel and other persons alongside or into Other KKR Funds in addition to the Sub-Fund. The terms of the loan program, such as the repayment terms and maturity date, have not been designed to and do not align with the terms of the Sub-Fund or any single Other KKR Fund. Accordingly, investment risks and returns are likely to vary materially between the Sub-Fund and the Shareholders, on the one hand, and any KKR vehicle investing alongside or into the Sub-Fund and their respective investors, on the other hand, and Shareholders should not have any expectation that their interests are aligned with the KKR Personnel and such other persons investing in any KKR vehicle. Participating in the loan program and the DAW Program could create an incentive for the Participants to take risks and make decisions in managing the Sub-Fund, to the extent such persons affect such decisions, that they would not otherwise take or make in the absence of such arrangement. In particular, Participants are likely to have a more immediate need for cash flow to meet their debt service obligations and related costs and expenses under the loan program, which could affect the selection and allocation of investment opportunities and how and when investments are exited.

Service Providers

Certain advisors and other service providers, or their Affiliates (including accountants, administrators, lenders, bankers, brokers, attorneys, consultants, and investment or commercial banking firms), to the Sub-Fund and the issuers of the Sub-Fund's portfolio investments also provide goods or services to or have business, personal, political, financial or other relationships with members of the KKR Group and Portfolio Companies held as investments by Other KKR Funds and, potentially, the Sub-Fund, or the KKR Group. Such advisors and service providers will, in certain circumstances, also be investors in the Sub-Fund and Other KKR Funds, sources of investment opportunities for the KKR Group, the Sub-Fund or Other KKR Funds or will otherwise be co-investors with or counterparties to transactions involving the foregoing. These relationships would be expected to influence the General Partner, the AIFM and the Investment Manager in deciding whether to select or recommend any such advisor or service provider to perform services for the Sub-Fund or an issuer of its portfolio investments (the cost of which will generally be borne directly or indirectly by the Sub-Fund or such issuers, as applicable). Notwithstanding the foregoing, the General Partner and the AIFM will generally seek to engage advisors and service providers in connection with investment transactions for the Sub-Fund that require their use on the basis of the overall quality of advice and other services provided, the evaluation of which includes, among other considerations, such service provider's provision of certain investment-related services and research that the General Partner and the AIFM believe to be of benefit to the Sub-Fund. In certain circumstances, advisors and other service providers or their Affiliates will charge rates or establish other terms in respect of advice and services provided to the, KKR Group and Portfolio Companies held as investments by Other KKR Funds and, potentially, the Sub-Fund, or the KKR Group or to Other KKR Funds that are different and more favourable than those established in respect of advice and services provided to the Sub-Fund and its portfolio investments.

Diverse Shareholder Group

The Shareholders of the Sub-Fund are expected to be based in a wide variety of jurisdictions and take a wide variety of forms. Accordingly, they have conflicting regulatory, legal, investment, tax, and other interests with respect to their investments in the Sub-Fund. The conflicting interests of individual Shareholders relate to or arise from, among other things, the nature of investments made by the Sub-Fund, the selection, structuring, acquisition and management of investments, the timing of disposition of investments, internal investment policies of the Shareholders and their target risk/return profiles. As a consequence, conflicts of interest are likely to arise in connection with decisions made by the General

Partner, the AIFM or the KKR Group, including with respect to the nature or structuring of investments, which could be more beneficial for one Shareholder than for another Shareholder, especially with respect to Shareholders' individual tax situations. In addition, the Sub-Fund could make investments that could have a negative impact on related investments made by the Shareholders in separate transactions. In selecting and structuring investments appropriate for the Sub-Fund, the General Partner and the AIFM will consider the investment and tax objectives of the Sub-Fund and its Shareholders as a whole, not the investment, tax, or other objectives of any Shareholder individually.

Shareholders' Outside Activities

A Shareholder shall be entitled to and can be expected to have business interests and engage in activities in addition to those relating to its investment in the Sub-Fund, including business interests and activities in direct competition with KKR and its portfolio entities, and may engage in transactions with, and provide services to, KKR or its portfolio entities (which will, in certain circumstances, include providing leverage or other financing to KKR or its portfolio entities as determined by the General Partner, the AIFM or the Investment Manager in their sole discretion). None of KKR, any Shareholder or any other person shall have any rights by virtue of the Articles or any related agreements in any business ventures of any Shareholder. The Shareholder, and in certain cases the General Partner, the AIFM or the Investment Manager, will have conflicting loyalties in these situations.

Legal Representation

Debevoise & Plimpton LLP, Arthur Cox LLP and Linklaters, LLP (Luxembourg) (collectively, "**Counsel**") are acting as counsel to the Fund, the Sub-Fund, the General Partner, the AIFM and the Investment Manager in connection with the organization of the Fund and the Sub-Fund and this offering of Shares in the Sub-Fund. Counsel has represented and continues to represent KKR (including the AIFM) in connection with the organization of the Fund and the Sub-Fund and a variety of matters. Counsel will not be representing any Shareholders in connection with the offering of Shares, absent an express agreement to the contrary with such Shareholder. Prospective investors should seek their own legal, tax and financial advice before making an investment in the Sub-Fund. Counsel can also act as counsel to an issuer of a portfolio investment, equity sponsors of the issuer, other creditors (or their agents) of the issuer, parties seeking to acquire some or all of the assets or equity of the issuer, or persons engaged in litigation with the issuer. Representation by Counsel of the Fund, the General Partner, the AIFM, the Investment Manager and their Affiliates is limited to specific matters as to which they each have been consulted by such persons, as applicable. There are likely to be other matters that could have a bearing on the Sub-Fund, the General Partner, the AIFM, the Investment Manager and/or their Affiliates as to which Counsel has not been consulted and for which they each, respectively, expressly disclaim responsibility. In addition, Counsel has not undertaken to monitor the compliance of the General Partner, the AIFM, the Investment Manager and their Affiliates with the investment program, investment strategies, valuation procedures, investment restrictions and other guidelines and terms set forth in this Memorandum and in the constituent documents of the Fund, nor does Counsel monitor on behalf of or for the benefit of the Shareholders ongoing compliance with applicable laws.

INVESTORS MUST BE PREPARED AND MUST BE IN A POSITION TO LOSE THEIR INVESTED CAPITAL IN ITS ENTIRETY.

XIV. DEFINITIONS

"**1915 Law**"	means the Luxembourg law of August 10, 1915 on commercial companies, as amended;
"**1933 Act**"	has the meaning given in Section XII (*Risk Factors*) of this Memorandum;
"**1940 Act**"	has the meaning given in Section I (*Summary of Principal Terms*);
"**1993 Law**"	means the Luxembourg law of April 5, 1993 on the financial sector, as amended;
"**1940 Act Funds**"	has the meaning given in Section XIII, "*Potential Conflicts of Interest*" of this Memorandum;
"**2010 Law**"	means the Luxembourg law of December 17, 2010 relating to undertakings for collective investment, as amended;
"**2013 Law**"	means the Luxembourg law of 12 July 2013 on alternative investment fund managers, as amended;
"**25% Test**"	has the meaning given in Section X, "*Regulatory and Tax Considerations*" of this Memorandum;
"**90% Income Test**"	has the meaning given in Section X, "*Regulatory and Tax Considerations*" of this Memorandum;
"**ABF**"	has the meaning given in Section II, "*Investment Information*" of this Memorandum;
"**ABS**"	has the meaning given in Section II, "*Investment Information*" of this Memorandum;
"**Accumulation Class**"	means Class $R_{A\text{-}USD}$, Class $N_{A\text{-}USD}$, Class $E_{A\text{-}USD}$ and Class $F_{A\text{-}USD}$ Shares;
"**Actions**"	has the meaning given in Section XI "*Management and Administration of the Fund*" of this Memorandum;
"**Administrator**"	means The Bank of New York Mellon SA/NV, Luxembourg Branch or such other Person engaged from time to time by the General Partner as the Administrator of the Fund in respect of KIT;
"**Advisers Act**"	has the meaning given in Section I, "*Summary of Principal Terms*" of this Memorandum;
"**Advisors**"	has the meaning given in Section XIII, "*Potential Conflicts of Interest*" of this Memorandum;
"**Affected Investors**"	has the meaning given in Section XII, "*Risk Factors*" of this Memorandum;
"**Affected Securitizations**"	has the meaning given in Section XII, "*Risk Factors*" of this Memorandum;
"**Affiliate**"	means, with respect to a specified Person, (a) any Person that directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with the specified Person or (b) any member of the Immediate Family of such specified Person. For all purposes under this

	Memorandum, each general partner, member, executive officer or director of any successor to the General Partner will be deemed to be an Affiliate of the Sub-Fund and the General Partner (or its successor, as appropriate) for so long as such general partner, member, executive officer or director of any such successor, as appropriate, remains in such capacity;
"**Aggregate Net Leverage**"	has the meaning given in Section II, "*Investment Information*" of this Memorandum;
"**AIFM**"	means KKR Alternative Investment Management Unlimited Company, an unlimited company incorporated pursuant to the Companies Act 2014 of Ireland under registration number 539765 or such other Affiliate of the General Partner authorised as an alternative investment fund manager under the AIFMD designated from time to time by the General Partner as the AIFM;
"**AIFM Agreement**"	means the agreement entered into between the Fund and the AIFM (as may be amended from time to time), whereby the Fund appoints the AIFM to act as the Fund's alternative investment fund manager in accordance with the provisions of the RAIF Law;
"**AIFMD**"	means Directive 2011/61/EU of the European Parliament and of the Council of June 8, 2011 on alternative investment fund managers and amending directive 2003/41/EC and 2009/65/EC and regulations (EC) No. 1060/2009 and (EU) No. 1095/2010, as amended;
"**AIFMD Level 2 Regulation**"	has the meaning given in Section II, "*Investment Information*" of this Memorandum;
"**Alternative Investment Fund**" **or** "**AIF**"	means an alternative investment fund (*fonds d'investissement alternatif*) within the meaning of the 2013 Law;
"**Annual Distribution Requirement**"	has the meaning given in Section X, "*Regulatory and Tax Considerations*" of this Memorandum;
"**Applicable Employees**"	has the meaning given in Section XIII, "*Potential Conflicts of Interest*" of this Memorandum;
"**Applicable Tax Reporting Obligations**"	means (i) Sections 1471 through 1474 of the Code, and any present or future effective regulations promulgated thereunder or official interpretations thereof, (ii) any agreements entered into pursuant to Section 1471(b) of the Code, (iii) any legislation, regulations or guidance enacted in any jurisdiction that seeks to implement a similar tax reporting or withholding tax regime, including CRS or DAC 6 (iv) any intergovernmental agreements, treaty or other agreement between any jurisdictions (including any government bodies in such jurisdiction) entered into in order to comply with, facilitate, supplement or implement any legislation, regulations or guidance described in clause (i), (ii) or (iii) above, and (v) any fiscal or regulatory legislation, rules or practices adopted pursuant to, or that give effect to, any legislation, regulations or guidance described in clause (i), (ii), (iii) or (iv) above;
"**Application Form**"	means an application form for Shares of any Class that each investor in the relevant Class will be required to complete and sign and which may be accepted by the General Partner, in its sole discretion and pursuant to which the investor irrevocably

	subscribes for Shares, gives certain representations and warranties and adheres to the terms of the Sub-Fund as set out in this Memorandum and the Articles;
"**ARC**"	has the meaning given in Section XIII, "*Potential Conflicts of Interest*" of this Memorandum;
"**ARRC**"	has the meaning given in Section XII, "*Risk Factors*" of this Memorandum;
"**Articles**"	has the meaning given in Section I, "*Summary of Principal Terms*" of this Memorandum;
"**Asset Companies**"	has the meaning given in Section XII, "*Risk Factors*" of this Memorandum;
"**Asset Servicers**"	has the meaning given in Section XIII, "*Potential Conflicts of Interest*" of this Memorandum;
"**Asset Servicing Fees**"	has the meaning given in Section XIII, "*Potential Conflicts of Interest*" of this Memorandum;
"**ATAD I**"	means EU Directive 2016/1164/EU;
"**ATAD II**"	has the meaning given in Section XII, "*Risk Factors*" of this Memorandum;
"**ATAD III Proposal**" **or** "**Unshell**"	has the meaning given in Section XII, "*Risk Factors*" of this Memorandum;
"**Balance Sheet**"	has the meaning given in Section XIII, "*Potential Conflicts of Interest*" of this Memorandum;
"**Balance Sheet Guidelines**"	has the meaning given in Section XIII, "*Potential Conflicts of Interest*" of this Memorandum;
"**Bankruptcy Code**"	means Title 11 of the United States Code, as amended;
"**BDC**"	has the meaning given in Section I, "*Summary of Principal Terms*" of this Memorandum;
"**BEFIT**"	has the meaning given in Section XII, "*Risk Factors*" of this Memorandum;
"**Benchmark Rates**"	has the meaning given in Section XII, "*Risk Factors*" of this Memorandum;
"**BEPS**"	means the OECD published final recommendations for new, or amendments to existing, tax laws arising from its Base Erosion and Profit Shifting project;
"**BEPS 2.0 Bill**"	has the meaning given in Section XII, "*Risk Factors*" of this Memorandum;
"**Blocker**"	has the meaning given in Section X, "*Regulatory and Tax Considerations*" of this Memorandum;
"**BNY**"	means The Bank of New York Mellon SA/NV, Luxembourg Branch;
"**Break-Up Fee**"	means any fee, option, settlement, judgment or other similar compensation or award, net of related expenses (other than Broken Deal Expenses), paid to the Investment Manager or

any KKR Affiliate relating to a potential investment by the Sub-Fund that was not consummated or any other income received by the Sub-Fund arising from litigation brought by or on behalf of the Sub-Fund that does not relate to a particular investment; *provided that* no amount paid to any Senior Advisor, Executive Advisor, KKR Advisor, Technical Consultants, Industry Advisors or Capstone by any Person shall be a "Break-up Fee"; and *provided further* that if any interest in such potential investment would have been issued to any Other KKR Fund or a person whose investment in such interest would have been offered, sold, placed, underwritten, syndicated, solicited or otherwise arranged by a Regulated Broker-Dealer, then only such portion of fees that is fairly allocable, based upon the nature of the transaction giving rise to the fee, to the proposed investment by the Fund shall be included; and *provided further* that Break-up Fees shall exclude Management Fees, Monitoring Fees, Regulated Broker-Dealer Fees, Asset Servicing Fees, Fund Financing Fees, Loan Servicing Fees, Platform Manager Fees, Service Costs and Transaction Fees, if any, and shall further exclude any fees that are passed through to the Sub-Fund by the Investment Manager or any KKR Affiliate and that otherwise constitute investment proceeds received by the Sub-Fund in respect of the relevant investment;

"**Broken Deal Expenses**" means all out-of-pocket fees, costs and expenses fairly allocable to the Sub-Fund (a) in developing, negotiating and structuring prospective or potential investments that are not ultimately made or not made as anticipated, including any travel-related costs (including non-commercial aircraft and ground transportation) and expenses incurred in connection therewith (including costs and expenses of accommodations and meals, costs and expenses related to attending trade association meetings, conferences or similar meetings for purposes of evaluating potential portfolio investment opportunities or developing potential investment ideas, trends and themes within industries, sectors or geographies, and with respect to travel on non-commercial aircraft, costs of travel at a comparable business class commercial airline rate), any fees and expenses of any legal, financial, accounting, advisory, consulting or other advisors (including rating agencies), any fees, costs and expenses of lenders, investment banks and other financing sources in connection with arranging financing for a proposed investment that is not ultimately made or not made as anticipated, any deposits or down payments of cash or other property that are forfeited in connection with, or amounts paid as a penalty for not consummating, a proposed investment that is not ultimately made or not made as anticipated and (b) for diligence and other services performed by the Investment Manager, its Affiliates, Capstone, their investment professionals, Technical Consultants, Industry Advisors, Senior Advisors, Executive Advisors or KKR Advisors in connection with their investment activities, including

	procuring, developing, implementing or maintaining information technology, data subscription and license-based services, research publications, materials, equipment and services, computer software or hardware and electronic equipment, and performing research related to investments, industries, sectors, geographies or other relevant market, economic, geopolitical or similar data or trends, including risk analysis software, in each case including fees, costs and expenses of the type described in the definition of Sub-Fund Expenses; *provided that*, for the avoidance of doubt, with respect to any such diligence or other services performed by the Investment Manager pursuant to this clause (b) the Investment Manager shall only be reimbursed for its out-of-pocket costs and expenses. In determining the amount of Broken Deal Expenses that may be fairly allocable to the Sub-Fund and to any Other KKR Funds that may participate in investments with the sub-fund, the General Partner may make good faith determinations, taking into account such factors as it deems appropriate and based on estimations using information available at the time of the termination of the transaction in question, including, for example, committed or available capital of the Sub-Fund and Other KKR Funds, the amount of capital historically invested, or remaining invested, in similar investments, and the percentage of similar investments in which the Sub-Fund or Other KKR Funds have historically participated;
"**Brussels Regulation**"	means the Regulation (EU) N° 1215/2012 of 12 December 2012 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters;
"**Business Day**"	has the meaning given in Section I, "*Summary of Principal Terms*" of this Memorandum;
"**Capstone Executives**"	means the employees of Capstone;
"**Capstone Fees**"	means any amount paid to KKR Capstone by any Portfolio Company for consulting services rendered to KKR, any KKR Affiliate, the Fund, the Sub-Fund, any Other KKR Fund, any Portfolio Company or otherwise;
"**catch up**"	has the meaning given in Section VIII, "*Fees and Expenses; Accounting; Reporting; Shareholder Matters*" of this Memorandum;
"**CCP**"	has the meaning given in Section XII, "*Risk Factors*" of this Memorandum;
"**CEA**"	means the U.S. Commodity Exchange Act, as amended;
"**Central Administration Agent**"	means The Bank of New York Mellon SA/NV, Luxembourg Branch;
"**CFTC**"	means U.S. Commodity Futures Trading Commission;
"**Class**" **or** "**Classes**"	means one or more separate classes of Ordinary Shares of no par value in a sub-fund, including KIT, as applicable;

"**Class E Shares**"	means Class $E_{A\text{-}USD}$ and Class $E_{D\text{-}USD}$ Shares;
"**Class F Shares**"	means Class $F_{A\text{-}USD}$ and Class $F_{D\text{-}USD}$ Shares;
"**Class I Shares**"	means Class $I_{D\text{-}AUD}$ Shares;
"**Class N Shares**"	means Class $N_{A\text{-}USD}$ and Class $N_{D\text{-}USD}$ Shares;
"**Class R Shares**"	means Class $R_{A\text{-}USD}$ and Class $R_{D\text{-}USD}$ Shares;
"**CLOs**"	means collateralized loan obligations;
"**Code**"	means the United States Internal Revenue Code of 1986, as previously or hereafter amended;
"**Co-Investment**"	has the meaning given in Section XIII, "*Potential Conflicts of Interest*" of this Memorandum;
"**Co-Investors**"	has the meaning given in Section XIII, "*Potential Conflicts of Interest*" of this Memorandum;
"**Counsel**"	has the meaning given in Section XIII, "*Potential Conflicts of Interest*" of this Memorandum;
"**Covered Plan**"	has the meaning given in Section X, "*Regulatory and Tax Considerations*" of this Memorandum;
"**COVID-19**"	means the 2019 novel strain of coronavirus;
"**CPO**"	has the meaning given in Section XII, "*Risk Factors*" of this Memorandum;
"**Cross Transaction**"	has the meaning given in Section XI, "*Management and Administration of the Fund*" of this Memorandum;
"**CRS**"	means (a) the Standard for Automatic Exchange of Financial Account Information in tax matters and its Common Reporting Standard published by the Organization for Economic Cooperation and Development and implemented by the Directive 2014/107/EU amending the Directive 2011/16/EU of February 15, 2011 on administrative cooperation in the field of taxation and (b) the Organization for Economic Cooperation and Development's multilateral competent authority agreement to automatically exchange information under the CRS;
"**CSSF**"	the Luxembourg supervisory authority for the financial sector, the *Commission de Surveillance du Secteur Financier*, or any successor authority thereto;
"**CTA**"	means commodity trading advisor;
"**DAC6**"	has the meaning given in Section X, "*Regulatory and Tax Considerations*" of this Memorandum;
"**DAC6 Law**"	has the meaning given in Section X, "*Regulatory and Tax Considerations*" of this Memorandum;
"**DAW Program**"	has the meaning given in Section XIII, "*Potential Conflicts of Interest*" of this Memorandum;
"**DDI**"	has the meaning given in Section X, "*Regulatory and Tax Considerations*" of this Memorandum;

"**DEBRA Proposal**"	has the meaning given in Section XII, "*Risk Factors*" of this Memorandum;
"**Delegate Management Agreement**"	the agreement entered into between the Investment Manager and the AIFM (as may be amended from time to time), whereby the AIFM delegates certain portfolio management activities to the Investment Manager in respect of the Sub-Fund;
"**Delegate Management Fee**"	has the meaning given in Section VIII, "*Fees and Expenses; Accounting; Reporting; Shareholder Matters*" of this Memorandum;
"**Depositary**"	means The Bank of New York Mellon SA/NV, Luxembourg Branch or such other Person engaged from time to time by the General Partner as the Depositary of the Fund in respect of KIT;
"**Depositary Agreement**"	has the meaning given in Section XI, "*Management and Administration of the Fund*" of this Memorandum;
"**Distress Event**"	has the meaning given in Section XII, "*Risk Factors*" of this Memorandum;
"**Distribution Class**"	means Class $R_{D\text{-}USD}$, Class $N_{D\text{-}USD}$, Class $E_{D\text{-}USD}$, Class $F_{D\text{-}USD}$ and Class $I_{D\text{-}AUD}$ Shares;
"**Diversification Tests**"	has the meaning given in Section X, "*Regulatory and Tax Considerations*" of this Memorandum;
"**Documents**"	has the meaning given in Section I, "*Summary of Principal Terms*" of this Memorandum;
"**Dodd-Frank Act**"	has the meaning given in Section XII, "*Risk Factors*" of this Memorandum;
"**Early Redemption Deduction**"	has the meaning given in Section V, "*Redemptions*" of this Memorandum;
"**EBITDA**"	means earnings before income, taxes, depreciation and amortization;
"**ECI**"	has the meaning given in Section I, "*Summary of Principal Terms*" of this Memorandum;
"**EEA**"	means the European Economic Area;
"**KESt**"	has the meaning given in Section X, "*Regulatory and Tax Considerations*" of this Memorandum;
"**EMIR Framework**"	has the meaning given in Section XII, "*Risk Factors*" of this Memorandum;
"**EMIR REFIT**"	has the meaning given in Section XII, "*Risk Factors*" of this Memorandum;
"**ERISA**"	means the U.S. Employee Retirement Income Security Act of 1974, as amended;
"**ESG**"	means environmental, social and governance;
"**EU**"	means the European Union;

"**EU Risk Retention Rules**"	has the meaning given in Section XII, "*Risk Factors*" of this Memorandum;
"**Executive Advisors**"	means the individuals providing advisory services to KKR Credit Advisors, KKR or any KKR Affiliate, investment funds, vehicles and accounts sponsored by KKR or any KKR Affiliate and the portfolio companies of such funds, vehicles and accounts and who are designated as "Executive Advisors" by KKR or its Affiliates;
"**Expense Limitation**"	has the meaning given in Section VIII, "*Fees and Expenses; Accounting; Reporting; Shareholder Matters*" of this Memorandum;
"**Facility Provider**"	has the meaning given in Section XI, "*Management and Administration of the Fund*" of this Memorandum;
"**Fairness Opinion**"	means, in respect of a transaction, a third-party fairness opinion provided by an independent, professionally recognised investment bank or valuation expert that opines as to the fairness, from a financial point of view of the relevant transaction.
"**FATCA**"	means the Foreign Account Tax Compliance Act, a portion of the 2010 Hiring Incentives to Restore Employment Act, became law in the United States in 2010;
"**FCPA**"	means the U.S. Foreign Corrupt Practices Act;
"**FDIC**"	has the meaning given in Section XII, "*Risk Factors*" of this Memorandum;
"**Financial Instruments Held in Custody**"	has the meaning given in Appendix 2, "*Alternative Investment Fund Managers Directive and Sustainable Finance Disclosure Regulation*" of this Memorandum;
"**FOIA**"	means the U.S. Freedom of Information Act;
"**Formation Costs**"	has the meaning given in Section VIII, "*Fees and Expenses; Accounting; Reporting; Shareholder Matters*" of this Memorandum;
"**FS Investments**"	has the meaning given in Section I, "*Summary of Principal Terms*" of this Memorandum;
"**Fund**"	means KKR-Income Trust SCA SICAV-RAIF, a Luxembourg partnership limited by shares (*société en commandite par actions*) qualifying as an umbrella investment company with variable capital – reserved alternative investment fund (*société d'investissement à capital variable – fonds d'investissement alternatif réservé à compartiments multiples*) pursuant to the 1915 Law and the RAIF Law as well as an AIF under the 2013 Law;
"**Fund Financing Fees**"	means all fees, interest charges, penalty payments and expenses paid by the Sub-Fund or any special purpose vehicle or other entity established to facilitate the borrowing of money or obtaining of other financing by the Sub-Fund directly or indirectly to the AIFM, the Investment Manager or any KKR Affiliate for Fund Financing Services;
"**Fund Financing Services**"	means (i) the lending of money or the provision of other

	financing to the Sub-Fund or (ii) the origination, arranging or structuring of financing described in clause (i) and, (iii) where such financing is obtained indirectly by the Sub-Fund through one or more special purpose vehicles or other entities established for the purpose of facilitating the borrowing of money or obtaining of other financing by the Sub-Fund, the provision of services as set forth in clause (i) and clause (ii) to such special purpose vehicles and/or the placement or syndication of debt or equity securities issued by such special purpose vehicles;
"**Fund Investments**"	has the meaning given in Section VII, "*Determination of Net Asset Value*" of this Memorandum;
"**GDPR**"	has the meaning given in Section XII, "*Risk Factors*" of this Memorandum;
"**General Partner**"	has the meaning given in Section I, "*Summary of Principal Terms*" of this Memorandum;
"**GHG**"	has the meaning given in Section XII, "*Risk Factors*" of this Memorandum;
"**GITA**"	has the meaning given in Section X, "*Regulatory and Tax Considerations*" of this Memorandum;
"**Global Atlantic**"	has the meaning given in Section XIII, "*Potential Conflicts of Interest*" of this Memorandum;
"**Global Atlantic Accounts**"	has the meaning given in Section XIII, "*Potential Conflicts of Interest*" of this Memorandum;
"**Global Atlantic Transaction**"	has the meaning given in Section XIII, "*Potential Conflicts of Interest*" of this Memorandum;
"**Global Conflicts Committee**"	means the committee created by KKR in an effort to implement best practices in the application and monitoring of conflict resolution.
"**Hedging Transactions**"	has the meaning given in Section II, "*Investment Information*" of this Memorandum;
"**HMRC**"	has the meaning given in Section X, "*Regulatory and Tax Considerations*" of this Memorandum;
"**Hurdle Rate**"	has the meaning given in Section VIII, "*Fees and Expenses; Accounting; Reporting; Shareholder Matters*" of this Memorandum;
"**IBOR**"	has the meaning given in Section XII, "*Risk Factors*" of this Memorandum;
"**IC**"	means investment committee;
"**IDD**"	has the meaning given in "*Important Information*";
"**Immediate Family**"	means a Person's current spouse, parents, parents-in-law, children, siblings and grandchildren, and any trust or estate all of the beneficiaries of which consist of such Person or such Person's spouse, parents, parents-in-law, children, siblings or grandchildren;

"**Incentive Fee**"	has the meaning given in Section VIII, "*Fees and Expenses; Accounting; Reporting; Shareholder Matters*" of this Memorandum;
"**Incentive Fee on Income**"	has the meaning given in Section VIII, "*Fees and Expenses; Accounting; Reporting; Shareholder Matters*" of this Memorandum;
"**Indemnitee**"	has the meaning given in Section XI, "*Management and Administration of the Fund*" of this Memorandum;
"**Independent Client Representative**"	has the meaning given in Section XI, "*Management and Administration of the Fund*" of this Memorandum;
"**Indirect Fees**"	has the meaning given in Section XIII, "*Potential Conflicts of Interest"* of this Memorandum;
"**Industry Advisors**"	means the individuals providing advisory services to KKR Credit, KKR or any KKR Affiliates, investment funds, vehicles and accounts sponsored by KKR or any KKR Affiliate and the portfolio companies of such funds, vehicles and accounts and who are designated as "Industry Advisors" by KKR or its Affiliates;
"**Initial Offering Period**"	has the meaning given in Section IV, "*Subscriptions"* of this Memorandum;
"**Initial Subscription Day**"	means the first Subscription Day of KIT where Shares are issued to Persons that are not Affiliates of the General Partner;
"**Investing Sub-Fund**"	has the meaning given in Section X, "*Regulatory and Tax Considerations*" of this Memorandum;
"**Investment Income**"	has the meaning given in Section X, "*Regulatory and Tax Considerations*" of this Memorandum;
"**Investment Manager**"	has the meaning given in Section I, "*Summary of Principal Terms*" of this Memorandum;
"**IRA**"	means individual retirement accounts
"**Irish AIFM Regulations**"	means the European Union (Alternative Investment Fund Managers) Regulations 2013 of Ireland, as amended;
"**IRS**"	means the U.S. Internal Revenue Service.
"**ISDA**"	has the meaning given in Section XII, "*Risk Factors*" of this Memorandum;
"**K-FIT**"	has the meaning given in Section I, "*Summary of Principal Terms"* of this Memorandum;
"**K-FIT Advisory Agreement**"	has the meaning given in Section XI, "*Management and Administration of the Fund*";
"**K-FIT Board**"	has the meaning given in Section XII, "*Risk Factors*" of this Memorandum;
"**K-FIT Manager**"	has the meaning given in Section I "*Summary of Principal Terms*" of this Memorandum;

"**K-FIT PPM**"	has the meaning given in Section I "*Summary of Principal Terms*" of this Memorandum;
"**KAGB**"	means the German Capital Investment Code, as amended;
"**KCS**"	means KKR's Global Client Solutions;
"**KFN**"	means KKR Financial Holdings LLC;
"**KIT**" **or the "Sub-Fund**"	means KKR-Income Trust I, a sub-fund of the Sub-Fund;
"**KIT Aggregator**"	has the meaning given in Section I "*Summary of Principal Terms*" of this Memorandum;
"**KKR**" **(or the** "**Firm**" **or** "**we**"**)**	means Kohlberg Kravis Roberts & Co. L.P. (together with its Affiliates);
"**KKR Advisors**"	means the individuals who were formerly employed by KKR or a KKR Affiliate that are providing advisory services to KKR or any KKR Affiliate, investment funds, vehicles and accounts sponsored by KKR or any KKR Affiliate and the Portfolio Companies of such funds, vehicles and accounts and who are designated as "KKR Advisors" by KKR;
"**KKR Affiliate**"	means each entity that, directly or indirectly, controls, is controlled by or is under common control with KKR, including without limitation, KKR Credit, other than (a) Portfolio Companies or companies or other issuers in which KKR-sponsored investment funds or accounts or KKR proprietary accounts or vehicles invest, (b) any investment vehicle the formation of which was sponsored by KKR or KKR Credit but which is not managed by KKR or KKR Credit and (c) any investment vehicle (other than any proprietary KKR vehicle) the formation of which was sponsored by KKR or KKR Credit and which is a Shareholder in the Fund;
"**KKR Capital Markets**" **(or** "**KCM**"**)**	has the meaning given in Section XI, "*Management and Administration of the Fund*" of this Memorandum;
"**KKR Capstone**" **or** "**Capstone**"	means any or all of KKR Capstone Americas LLC, KKR Capstone EMEA LLP, KKR Capstone EMEA (International) Partners LLP, KKR Capstone Asia Limited, their Affiliates, any entities serving a similar role thereto and their respective subsidiaries;
"**KKR Credit**"	means any or all of KKR Credit Advisors (US), KKR Credit Advisors (Ireland) Unlimited Company, KKR Credit Advisors (EMEA) LLP, KKR Credit Advisors (Singapore) Pte Ltd. and their respective successors and assigns and any other Person through which the KKR Group conducts its credit investment business;
"**KKR Credit Advisors (Ireland)**"	has the meaning given in Section I, "*Summary of Principal Terms*" of this Memorandum;
"**KKR Credit Advisors (US)**"	means KKR Credit Advisors (US) LLC;
"**KKR Group**"	means KKR & Co. Inc. and its subsidiaries;
"**KKR Parties**"	has the meaning given in Section X, "*Regulatory and Tax Considerations*" of this Memorandum;

"**KKR Personnel**"	has the meaning given in Section III, "*Share Class Information"* of this Memorandum;
"**KKR Private Markets**"	means KKR's private markets business;
"**KKR Public Company**"	means KKR & Co. Inc.;
"**Leverage Limit**"	has the meaning given in Section II, "*Investment Information*" of this Memorandum;
"**Leverage Ratio**"	has the meaning given in Section II, "*Investment Information*" of this Memorandum;
"**Liabilities**"	has the meaning given in Section XI, "*Management and Administration of the Fund*" of this Memorandum;
"**LIBOR**"	means London inter-bank offered rates;
"**Loan Servicing Fees**"	means any fees or other payments paid to KKR or its Affiliates relating to loan services provided to the Sub-Fund.
"**Look-Through Pre-Incentive Fee Net Investment Income**"	has the meaning given in Section VIII, "*Fees and Expenses; Accounting; Reporting; Shareholder Matters*" of this Memorandum;
"**LSTA**"	has the meaning given in Appendix 2, "*Alternative Investment Fund Managers Directive and Sustainable Finance Disclosure Regulation*" of this Memorandum;
"**Lux GAAP**"	means accounting principles generally accepted in Luxembourg;
"**Machine Learning Technology**"	has the meaning given in Section XII, "*Risk Factors*" of this Memorandum;
"**MAE Amendment Notice Period**"	has the meaning given in Section XI, "*Management and Administration of the Fund*" of this Memorandum;
"**Malfeasance**"	means, with respect to any Person, any act or omission which results in a criminal conviction of such Person or which constitutes fraud (other than non-scienter based fraud under the Advisers Act), wilful misconduct, gross negligence or a material breach of the Articles, the AIFM Agreement or the Delegate Management Agreement or a material violation of applicable U.S. federal securities laws;
"**Management Fee**"	has the meaning given in Section VIII, "*Fees and Expenses; Accounting; Reporting; Shareholder Matters*" of this Memorandum;
"**Management Shares**"	means management share(s), which are subscribed for by, and reserved to, the General Partner as an unlimited shareholder (*actionnaire commandité*);
"**Memorandum**"	means this Confidential Private Placement Memorandum the Sub-Fund, as amended, restated and supplemented from time to time;
"**MIFID II**"	means Directive 2014/65/EU;
"**Minimum Subscription and Holding Amount**"	has the meaning given in Section IV, "*Subscriptions"* of this Memorandum;

"**MLI**"	has the meaning given in Section XII, "*Risk Factors*" of this Memorandum;
"**Monitoring Fee**"	means any amount payable by a Portfolio Company to the Investment Manager or any KKR Affiliate net of all related expenses pursuant to a general retainer agreement or as a fee for consulting services rendered by the Investment Manager or any KKR Affiliate to, or for the benefit of, a Portfolio Company after the initial investment in such Portfolio Company, including directors' fees paid to employees of KKR or its Affiliates (but not including any such fees paid to any Senior Advisors, Executive Advisors, Industry Advisors, KKR Advisors or Technical Consultants) in connection with service on the board of directors (or similar body) of a Portfolio Company, but excluding amounts reimbursed with respect to the Portfolio Company for out-of-pocket and administrative expenses (such as accounting or legal fees relating to the investment in the Portfolio Company), Management Fees, Regulated Broker-Dealer Fees, Service Costs, Asset Servicing Fees, Fund Financing Fees, Platform Manager Fees, Capstone Fees, Loan Servicing Fees and Transaction Fees, if any, and shall further exclude any fees that are passed through to the Sub-Fund by the Investment Manager or any KKR Affiliate and that otherwise constitute investment proceeds received by the Sub-Fund in respect of the relevant investment; *provided that* no amount paid to any Senior Advisors, Executive Advisors, Industry Advisors, KKR Advisors or Technical Consultants by any Person shall be a "Monitoring Fee"; and *provided further* that, if any interest in such Portfolio Company is held by any Other KKR Fund or a person whose investment in such interest was offered, sold, placed, underwritten, syndicated, solicited or otherwise arranged by a Regulated Broker-Dealer, then only such portion of fees that is fairly allocable, based upon the nature of the transaction giving rise to the fee, to the investment by the Sub-Fund in such Portfolio Company shall be included. For the avoidance of doubt, any directors' fees paid to Capstone Executives in connection with service on the board of directors (or similar body) of a Portfolio Company do not constitute "Monitoring Fees." In addition, any fees that would be Transaction Fees but for the exclusion set forth in the "Transaction Fee" definition in respect of amounts thereof that are not allocable to the ownership of the recipient of such fees by KKR or its Affiliates, shall not constitute Monitoring Fees;
"**Net Asset Value**"	means the net asset value of the assets attributable to the Sub-Fund or a Class, as the case may be, determined as set forth in Section VII, "*Determination of Net Asset Value*" of this Memorandum;
"**Net Asset Value per Share**"	means the Net Asset Value of a sub-fund or Class, as applicable, divided by the number of Shares of such sub-fund or such Class, as appropriate, in issue or deemed to be in issue;
"**NGO**"	means non-profit organization;
"**non-EU Countries**"	has the meaning given in Section XII, "*Risk Factors*" of this Memorandum;
"**Non-K-FIT Investment**"	has the meaning given in Section X, "*Regulatory and Tax*

	Considerations" of this Memorandum;
"**Non-U.S. Holder**"	has the meaning given in Section X, "*Regulatory and Tax Considerations*" of this Memorandum;
"**NPL Directive**"	has the meaning given in Section XII, "*Risk Factors*" of this Memorandum;
"**NPV Payment**"	has the meaning given in Section XIII, "*Potential Conflicts of Interest*" of this Memorandum;
"**OECD**"	means the Organisation for Economic Co-operation and Development;
"**OeKB**"	has the meaning given in Section X, "*Regulatory and Tax Considerations*" of this Memorandum;
"**OFAC**"	has the meaning given in Section XII, "*Risk Factors*" of this Memorandum;
"**Offshore Entity**"	has the meaning given in Section X, "*Regulatory and Tax Considerations*" of this Memorandum;
"**Ordinary Shares**"	means ordinary (limited) shares, which are subscribed by limited shareholders (*actionnaire commanditaire*);
"**OTC**"	means over-the-counter;
"**Other Fees**"	has the meaning given in Section VIII, "*Fees and Expenses; Accounting; Reporting; Shareholder Matters*" of this Memorandum;
"**Other KKR Funds**"	means any investment fund, vehicle or account advised, sub-advised, managed or sponsored by KKR Credit, KKR or a KKR Affiliate (including any other sub-fund of the Fund) as well as any KKR Credit or KKR proprietary accounts or vehicles;
"**Other Participants**"	has the meaning given in Section XIII, "*Potential Conflicts of Interest*" of this Memorandum;
"**PAAMCO**"	has the meaning given in Section XIII, "*Potential Conflicts of Interest*" of this Memorandum;
"**Parallel Vehicle**"	has the meaning given in Section II, "*Investment Information*" of this Memorandum;
"**Participants**"	has the meaning given in Section XIII, "*Potential Conflicts of Interest*" of this Memorandum;
"**Participated Loan**"	has the meaning given in Section II, "*Investment Information*" of this Memorandum;
"**Participated Loan Counterparty**"	has the meaning given in Section II, "*Investment Information*" of this Memorandum;
"**Person**"	means and includes an individual, a partnership, a limited liability company, a joint venture, a corporation, a trust, an unincorporated organization, a government or any department or agency thereof or any entity similar to any of the foregoing;
"**Personal Confidential**	has the meaning given in Section XI, "*Management and*

Information"	*Administration of the Fund*" of this Memorandum;
"**Plan**"	has the meaning given in Section X, "*Regulatory and Tax Considerations*" of this Memorandum;
"**Plan Asset Regulations**"	has the meaning given in Section X, "*Regulatory and Tax Considerations*" of this Memorandum;
"**Platform Arrangements**"	has the meaning given in Section XIII, "*Potential Conflicts of Interest*" of this Memorandum;
"**Platform Investments**"	means joint ventures or arrangements and various companies or businesses established in connection with developing, sourcing or operating investment opportunities and/or servicing and management (including turnaround) and disposition of related investments, including as part of an underlying investment, a commitment to fund or finance or otherwise contemporaneously participate in such opportunities which may, in each case, be sponsored, managed or advised by one or more Other KKR Funds (which may or may not include the Sub-Fund), KKR, KKR Credit, their respective Affiliates and Portfolio Companies or one or more third parties;
"**Platform Management**"	has the meaning given in Section XIII, "*Potential Conflicts of Interest*" of this Memorandum;
"**Platform Manager Fees**"	means all fees (net of related expenses) paid directly or indirectly to KKR or any KKR Affiliate for Platform Manager Services;
"**Platform Manager Services**"	has the meaning given in Section XIII, "*Potential Conflicts of Interest*" of this Memorandum;
"**Platform Managers**"	has the meaning given in Section XIII, "*Potential Conflicts of Interest*" of this Memorandum;
"**Portfolio Asset Vehicles**"	has the meaning given in Section XIII, "*Potential Conflicts of Interest*" of this Memorandum;
"**Portfolio Company**"	means any privately or publicly owned enterprise, issuer or separately identifiable subpart thereof in which KIT or any Other KKR Fund, as applicable, makes a portfolio investment (including by acquiring exposure to such Portfolio Company by entering into a related derivative transaction), which will include all Person(s) and assets comprising or held by such enterprise or subpart at the time of the investment and each successor to such Person(s) and any other asset in which KIT or such Other KKR Fund, as applicable, makes a portfolio investment. The General Partner will determine in its discretion which entities or assets constitute a "Portfolio Company";
"**PRI**"	means the Principles for Responsible Investment;
"**PRIIPS Regulation**"	means Regulation (EU) No. 1286/2014 of the European Parliament and of the Council of 26 November 2014 on key information documents for packaged retail and insurance-based investment products;
"**Principal Adverse Impacts**"	has the meaning given in Appendix 2, "*Alternative Investment Fund Managers Directive and Sustainable Finance Disclosure*

	Regulation" of this Memorandum;
"**Prisma**"	has the meaning given in Section XIII, "*Potential Conflicts of Interest*" of this Memorandum;
"**Professional Investor**"	means a professional investor within the meaning of article 1(53) of the 2013 Law;
"**Prohibited Person**"	has the meaning given in Section V, "*Redemptions*" of this Memorandum;
"**PTCE**"	has the meaning given in Section X, "*Regulatory and Tax Considerations*" of this Memorandum;
"**Qualified Investor**"	means an investor who may acquire Shares in the Sub-Fund under the law applicable in its relevant jurisdiction and to whom the Fund, the AIFM or their authorised agents are allowed to market the Shares; *provided that* (i) such Person is, a Well-Informed Investor, and (ii) is not a Prohibited Person;
"**Quantifind**"	has the meaning given in Section XIII, "*Potential Conflicts of Interest*" of this Memorandum;
"**RAIF Law**"	means the Luxembourg law of July 23, 2016 on reserved alternative investment funds, as amended;
"**RCS**"	has the meaning given in Section I, "*Summary of Principal Terms*" of this Memorandum;
"**Redeeming Initial Shareholder**"	means KKR-Income Holdings LLC as initial shareholder of the Fund at its incorporation;
"**Redemption Day**"	has the meaning given in Section I, "*Summary of Principal Terms*" of this Memorandum;
"**Redemption Notice Day**"	has the meaning given in Section V, "*Redemptions*" of this Memorandum;
"**Redemption Request**"	has the meaning given in Section I, "*Summary of Principal Terms*" of this Memorandum;
"**Reference Currency**"	has the meaning given in Section III, "*Share Class Information"* of this Memorandum;
"**Regulated Broker-Dealer**"	means a U.S. registered broker-dealer or a non-U.S. equivalent thereof;
"**Regulated Broker-Dealer Fees**"	means any placement, underwriting, syndication, solicitation, arranger, dealer-manager, brokerage or other fees, including discounts, commissions and concessions, paid to a Regulated Broker-Dealer for Regulated Broker-Dealer Services;
"**Regulated Broker-Dealer Services**"	means services rendered by a Regulated Broker-Dealer in connection with the offer, sale, placement, underwriting, syndication, arrangement, structuring, restructuring, purchase, repurchase or exchange of securities or financing, or the effectuation of any securities or financing transactions, in each case other than with respect to the making of an investment;
"**Related Individuals**"	has the meaning given in Section XI, "*Management and Administration of the Fund*" of this Memorandum;

"**Relevant Entities**"	has the meaning given in Section X, "*Regulatory and Tax Considerations*" of this Memorandum;
"**Reportable Arrangements**"	has the meaning given in Section X, "*Regulatory and Tax Considerations*" of this Memorandum;
"**Retail Investor**"	means a person who is one (or more) of: (i) a retail client as defined in point (11) of article 4(1) of MiFID II; (ii) a customer within the meaning of directive (EU) 2016/97, as amended ("**IDD**"), where that customer would not qualify as a professional client as defined in point (10) of article 4(1) of MiFID II; or (iii) not a qualified investor as defined in regulation (EU) 2017/1129, as amended (the "**Prospectus Regulation**");
"**RIC**"	has the meaning given in Section X, "*Regulatory and Tax Considerations*" of this Memorandum;
"**Risk Retention Holder**"	has the meaning given in Section XII, "*Risk Factors*" of this Memorandum;
"**Sanction Policies**"	has the meaning given in Section X, "*Regulatory and Tax Considerations*" of this Memorandum;
"**Sanctions**"	has the meaning given in Section X, "*Regulatory and Tax Considerations*" of this Memorandum;
"**SASB**"	has the meaning given in Appendix 2, "*Alternative Investment Fund Managers Directive and Sustainable Finance Disclosure Regulation*" of this Memorandum;
"**SCA**"	means Luxembourg partnership limited by shares;
"**SCA SICAV-RAIF**"	means umbrella investment company with variable capital – reserved alternative investment fund;
"**SDGs**"	means the United Nation Sustainable Development Goals;
"**SEC**"	has the meaning given in Section I, "*Summary of Principal Terms*" of this Memorandum;
"**SEC Private Fund Adviser Rules**"	has the meaning given in Section XII, "*Risk Factors*" of this Memorandum;
"**Securities Financing Transactions**"	has the meaning given in Section XII, "*Risk Factors*" of this Memorandum;
"**Securities Financing Transactions Regulation**"	has the meaning given in Section XII, "*Risk Factors*" of this Memorandum;
"**Securitization Regulation**"	has the meaning given in Section XII, "*Risk Factors*" of this Memorandum;
"**Seed Investments**"	has the meaning given in Section XIII, "*Potential Conflicts of Interest*" of this Memorandum;
"**Semi-Professional Investor**"	means a Person who qualifies as a semi-professional investor within the meaning of Section 1 para. 19 no. 33 of the KAGB;
"**Senior Advisors**"	means the individuals providing advisory services to KKR Credit, KKR or any KKR Affiliates, investment funds, vehicles and accounts sponsored by KKR or any KKR Affiliate and the portfolio companies of such funds, vehicles

	and accounts and who are designated as "Senior Advisors" by KKR or its Affiliates;
"**Series**"	has the meaning given in Section III, "*Share Class Information*" of this Memorandum;
"**Service Costs**"	means any amounts paid to the AIFM, the Investment Manager or any KKR Affiliate (or any of their respective employees or agents) by a Portfolio Company or any Person through which the Sub-Fund invests in a Portfolio Company for local administration or management services related to such Portfolio Company or Person that (i) are determined by the General Partner, acting in good faith, to be reasonably necessary in order to achieve beneficial legal, tax or regulatory treatment with respect to the relevant Portfolio Investment and (ii) would otherwise be payable to a third party for such services;
"**Servicing Fee**"	has the meaning given in Section I, "*Summary of Principal Terms*" of this Memorandum;
"**SFDR**"	means Regulation (EU) 2019/2088 of the European Parliament and of the Council on sustainability-related disclosures in the financial services sector;
"**SFTA**"	has the meaning given in Section X, "*Regulatory and Tax Considerations*" of this Memorandum;
"**Shareholder**"	means a Person recorded as a holder of Shares in the Fund's register of shareholders. References to "Shareholder" shall, unless the context otherwise requires, refer to holders of Ordinary Shares of any Class issued by the Sub-Fund and shall not refer to the General Partner as the holder of the Management Shares issued by the Fund or to the holders of shares issued by any other sub-fund of the Fund that is established from time to time;
"Shareholder Consent"	means the consent or approval of Shareholders representing a majority of the Shares of the Fund or any sub-fund or Class, as applicable, held by such Persons, in each case, as may be provided as at a record date determined in accordance with the RAIF Law;
"**Shares**"	has the meaning given in Section I, "*Summary of Principal Terms*" of this Memorandum;
"**Similar Laws**"	has the meaning given in Section X, "*Regulatory and Tax Considerations*" of this Memorandum;
"**SIPA**"	has the meaning given in Section XII, "*Risk Factors*" of this Memorandum;
"**Stakes and Seed Managers**"	has the meaning given in Section XIII, "*Potential Conflicts of Interest*" of this Memorandum;
"**Sub-contractors**"	has the meaning given in Section XI, "*Management and Administration of the Fund*" of this Memorandum;
"**Sub-Fund Documents**"	means this Memorandum, the Articles and/or the Application Form, and the other related Sub-Fund documents (but, for the avoidance of doubt, excluding any side letter) in each case as

	applicable to the Sub-Fund and/or the relevant Shareholder as the case may be and as the context so requires;
"**Sub-Fund Expenses**"	has the meaning given in Section VIII, "*Fees and Expenses; Accounting; Reporting; Shareholder Matters*" of this Memorandum;
"**Subscription Day**"	has the meaning given in Section IV, "*Subscriptions*" of this Memorandum;
"**Subscription Fees**"	has the meaning given in Section I, "*Summary of Principal Terms*" of this Memorandum;
"**Successor Company**"	has the meaning given in Section XIII, "*Potential Conflicts of Interest*" of this Memorandum;
"**Target Sub-Fund**"	has the meaning given in Section X, "*Regulatory and Tax Considerations*" of this Memorandum;
"**Taxonomy**"	has the meaning given in Appendix 2, "*Alternative Investment Fund Managers Directive and Sustainable Finance Disclosure Regulation*" of this Memorandum;
"**Taxonomy Regulation**"	means Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment;
"**Technical Consultants**"	the individuals and entities providing consulting services to KKR Credit, KKR or any KKR Affiliates, investment funds, vehicles and accounts sponsored by KKR or any KKR Affiliate and the portfolio companies of such funds, vehicles and accounts and who are designated as "Technical Consultants" by KKR or its Affiliates;
"**Total Assets**"	has the meaning given in Section II, "*Investment Information*" of this Memorandum;
"**Transaction Fee**"	means all fees (net of related expenses) paid by a Portfolio Company directly or indirectly to the Investment Manager or any KKR Affiliate for originating, arranging, structuring, investment banking or similar services rendered by, or on behalf of, the Investment Manager or any KKR Affiliate with respect to such Portfolio Company, putting in place debt and/or equity financing in respect of such Portfolio Company, including closing fees; *provided that* if any such fees are paid to an entity that is not wholly owned by or under common ownership with KKR, then only such portion of such fees as is fairly allocable to KKR (including its equity owners) based on the ownership of such entity that is attributable thereto, shall be included; and *provided further* that no amount paid to any Senior Advisor, Executive Advisor, Industry Advisor, KKR Advisor or Technical Consultant by any Person shall be a "Transaction Fee"; and *provided further* that if any interest in such Portfolio Company is issued to any Other KKR Fund or a person whose investment in such interest was offered, sold, placed, underwritten, syndicated, solicited or otherwise arranged by a Regulated Broker-Dealer, then only such portion of fees as is fairly allocable, based upon the nature of the transaction giving rise to the fee or on such other basis as the General Partner in good faith determines is appropriate under the circumstances, to the investment of the Sub-Fund in such Portfolio Company shall be included; and *provided further* that

Transaction Fees shall exclude Management Fees, Capstone Fees, Loan Servicing Fees, Monitoring Fees, Service Costs, Platform Manager Fees, Asset Servicing Fees, Fund Financing Fees, Break-up Fees and Regulated Broker-Dealer Fees, if any, and shall further exclude any fees that are passed through to the Sub-Fund by the Investment Manager or any KKR Affiliate and that otherwise constitute investment proceeds received by the Sub-Fund in respect of the relevant investment;

"**Treasury Regulation**" means a regulation promulgated by the Secretary of the United States Treasury pursuant to the authority granted under the Code;

"**TSET**" has the meaning given in Section X, "*Regulatory and Tax Considerations*" of this Memorandum;

"**UK**" means the United Kingdom;

"**United States**" means the United States of America (including the states and the District of Columbia) and any of its territories, possessions and other areas subject to its jurisdiction;

"**U.S. GAAP**" means accounting principles generally accepted in the United States;

"**U.S. Person**" means a "U.S. person" within the meaning of Regulation S as promulgated under the 1933 Act;

"**Valuation Day**" has the meaning given in Section IV, "*Subscriptions*" of this Memorandum;

"**Valuation Policy**" means the valuation policy adopted by the General Partner in respect of KIT and described in Section VII, "*Determination of Net Asset Value*" of this Memorandum as subsequently amended from time to time in the sole discretion of the General Partner;

"**Warehoused Investments**" has the meaning given in Section XI, "*Management and Administration of the Fund*" of this Memorandum;

"**Well-Informed Investor**" means any institutional investors, professional investors within the meaning of MiFID II or other investors who:

(i) adhere in writing to the status of well-informed investors; and

(ii) either

(a) invest a minimum of €100,000 (one hundred thousand euro) in the Fund; or

(b) benefit from a certificate delivered by a credit institution within the meaning of Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions, by an investment firm within the meaning of MiFID II, by a management company within the meaning of Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS), or by an authorised alternative

investment fund manager within the meaning of AIFMD, certifying his/her/its expertise, experience and knowledge to adequately appraise an investment in the reserved alternative investment fund.

The conditions set out above are not applicable to the Persons who participate in the management of the Fund, including the General Partner, the AIFM and Investment Manager; and

"**Withholdable Payments**" has the meaning given in Section X, "*Regulatory and Tax Considerations*" of this Memorandum.

APPENDIX 1
NOTICE TO SHAREHOLDERS[16]

FOR FLORIDA RESIDENTS ONLY

IF THE INVESTOR IS NOT A BANK, A TRUST COMPANY, A SAVINGS INSTITUTION, AN INSURANCE COMPANY, A DEALER, AN INVESTMENT COMPANY AS DEFINED IN THE 1940 ACT, A PENSION OR PROFIT-SHARING TRUST, OR A QUALIFIED INSTITUTIONAL BUYER (AS DEFINED IN RULE 144A UNDER THE 1933 ACT), THE INVESTOR ACKNOWLEDGES THAT ANY SALE OF SHARES TO THE INVESTOR IS VOIDABLE BY THE INVESTOR EITHER WITHIN THREE DAYS AFTER THE FIRST TENDER OF CONSIDERATION IS MADE BY THE INVESTOR TO THE ISSUER, OR AN AGENT OF THE ISSUER, OR WITHIN THREE DAYS AFTER THE AVAILABILITY OF THAT PRIVILEGE IS COMMUNICATED TO THE INVESTOR, WHICHEVER OCCURS LATER.

FOR RESIDENTS IN OTHER STATES IN THE UNITED STATES

THE SHARES HAVE NOT BEEN REGISTERED UNDER THE 1933 ACT OR ANY STATE SECURITIES LAW (COLLECTIVELY, THE "SECURITIES LAWS") OR APPROVED BY THE SEC OR ANY STATE SECURITIES AGENCY. NEITHER THE SEC NOR ANY OTHER GOVERNMENTAL AUTHORITY HAS PASSED UPON THE VALUE OF THE SHARES, MADE ANY RECOMMENDATIONS AS TO THEIR PURCHASE, APPROVED OR DISAPPROVED THIS OFFERING OR PASSED UPON THE ADEQUACY OR ACCURACY OF THIS MEMORANDUM.

FOR RESIDENTS OF THE EUROPEAN ECONOMIC AREA ONLY

THE FUND QUALIFIES AS AN ALTERNATIVE INVESTMENT FUND ("AIF") IN EUROPE. WHILE MANAGEMENT OF THE FUND WILL BE THE ULTIMATE RESPONSIBILITY OF THE GENERAL PARTNER, THE GENERAL PARTNER WILL DELEGATE INVESTMENT MANAGEMENT AUTHORITY TO KKR ALTERNATIVE INVESTMENT MANAGEMENT AS THE MANAGER OF THE FUND. KKR ALTERNATIVE INVESTMENT MANAGEMENT WILL BE RESPONSIBLE FOR MANAGING THE FUND IN ACCORDANCE WITH THE EU ALTERNATIVE INVESTMENT FUND MANAGERS DIRECTIVE (DIRECTIVE 2011/61/EU) (THE "AIFMD").

IN RELATION TO EACH MEMBER STATE OF THE EEA (EACH A "MEMBER STATE") WHICH HAS IMPLEMENTED THE AIFMD, THE FUND WILL ONLY BE OFFERED OR PLACED IN A MEMBER STATE TO THE EXTENT THAT: (1) THE FUND IS PERMITTED TO BE MARKETED TO PROFESSIONAL INVESTORS (AS SUCH TERM IS DEFINED IN THE AIFMD) IN THE RELEVANT MEMBER STATE IN ACCORDANCE WITH AIFMD (AS IMPLEMENTED INTO THE LOCAL LAW/REGULATION OF THE RELEVANT MEMBER STATE); OR (2) THE FUND MAY OTHERWISE BE LAWFULLY OFFERED OR PLACED IN THAT MEMBER STATE. IN ANY EVENT, THIS MEMORANDUM WILL ONLY BE DISTRIBUTED IN ACCORDANCE WITH THE REQUIREMENTS OF THE LAWS AND REGULATIONS OF THE APPLICABLE MEMBER STATE.

ANY DECISION TO INVEST IN THE FUND SHOULD TAKE INTO ACCOUNT ALL OF THE CHARACTERISTICS OR OBJECTIVES OF THE FUND AS DESCRIBED IN THE MEMORANDUM, OR OTHER INFORMATION DISCLOSED TO INVESTORS IN ACCORDANCE WITH THE AIFMD, WHERE APPLICABLE. FOR FURTHER INFORMATION ON KKR'S ESG POLICIES AND PROCEDURES, VISIT WWW.KKRESG.COM. THE MEMORANDUM IS AVAILABLE IN ENGLISH UPON REQUEST FROM KKR ALTERNATIVE INVESTMENT MANAGEMENT UNLIMITED COMPANY.

WHERE REQUIRED UNDER ARTICLE 29 OF THE EU ALTERNATIVE INVESTMENT FUND MANAGERS DIRECTIVE (2011/61/EU), COPIES OF THE MOST RECENT ANNUAL AUDITED ACCOUNTS OF EACH PORTFOLIO COMPANY ARE AVAILABLE UPON REQUEST FROM KKR ALTERNATIVE INVESTMENT MANAGEMENT UNLIMITED COMPANY (CONTAINING FURTHER INFORMATION REGARDING SUCH PORTFOLIO COMPANY'S BUSINESS AND OTHER ACTIVITIES DURING THE FINANCIAL YEAR).

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[16] References in this Appendix 1 to the Fund include KKR-Income Trust SCA SICAV-RAIF and KKR-Income Trust I as its initial sub-fund.

PLEASE NOTE THAT THE FUND MAY DECIDE TO TERMINATE THE ARRANGEMENTS MADE FOR THE MARKETING OF THE FUND IN ONE OR MORE MEMBER STATES PURSUANT TO THE AIFMD MARKETING PASSPORT IN ACCORDANCE WITH THE PROCEDURE PROVIDED FOR UNDER THE APPLICABLE LAWS THAT IMPLEMENT ARTICLE 32 OF THE AIFMD.

THE REGISTRATIONS AND MEMBERSHIPS NOTED WITHIN THIS MEMORANDUM SHOULD NOT BE INTERPRETED AS AN ENDORSEMENT OR APPROVAL OF KKR BY THE RESPECTIVE LICENSING OR REGISTERING AUTHORITIES. TO THE BEST OF KKR'S KNOWLEDGE AND BELIEF THIS MEMORANDUM IS TRUE AND ACCURATE AT THE DATE HEREOF.

A SUMMARY, IN ENGLISH, OF INVESTOR RIGHTS AND INFORMATION ON ACCESS TO ANY COLLECTIVE REDRESS MECHANISMS CAN BE OBTAINED AT THE FOLLOWING LINK: HTTPS://WWW.KKR.COM/_FILES/PDF/KKR_ALTERNATIVE_INVESTMENT_MANAGEMENT_-_CBDF_INVESTOR_RIGHTS_AND_REDRESS_DISCLOSURE.PDF.

FOR ALL EEA MEMBER STATE RESIDENTS ONLY: IN RELATION TO EACH MEMBER STATE WHICH HAS IMPLEMENTED THE AIFMD (AND FOR WHICH TRANSITIONAL ARRANGEMENTS ARE NOT AVAILABLE), THIS MEMORANDUM MAY ONLY BE DISTRIBUTED AND SHARES IN THE FUND MAY ONLY BE OFFERED OR PLACED IN A MEMBER STATE TO THE EXTENT THAT: (1) THE FUND IS PERMITTED TO BE MARKETED TO PROFESSIONAL INVESTORS IN THE RELEVANT MEMBER STATE IN ACCORDANCE WITH THE AIFMD (AS IMPLEMENTED INTO THE LOCAL LAW/REGULATION OF THE RELEVANT MEMBER STATE) AS WELL AS TO NON-PROFESSIONAL INVESTORS ABOVE THE THRESHOLDS AND/OR AT THE CONDITIONS IN ACCORDANCE TO WHICH THEY ARE ADMITTED TO INVEST IN RESERVED AIFS IN EACH RELEVANT MEMBER STATE, INCLUDING ITALIAN RETAIL INVESTORS UNDER ARTICLE 14, PARAGRAPH 2, OF THE MINISTERIAL DECREE NO. 30 OF 2015, AS AMENDED BY THE MINISTERIAL DECREE NO. 19 OF 2022; OR (2) THIS MEMORANDUM MAY OTHERWISE BE LAWFULLY DISTRIBUTED AND THE SHARES MAY OTHERWISE BE LAWFULLY OFFERED OR PLACED IN THAT MEMBER STATE (INCLUDING AT THE EXCLUSIVE INITIATIVE OF THE INVESTOR).

THIS MEMORANDUM IS NOT AN APPROVED PROSPECTUS FOR THE PURPOSES OF THE PROSPECTUS REGULATION AND RELATED EU AND NATIONAL LEGISLATION.

FOR RESIDENTS OF FEDERAL GERMAN REPUBLIC ONLY

IN GERMANY THE SHARES MAY BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO SEMI-PROFESSIONAL INVESTORS WITHIN THE MEANING OF SECTION 1 PARA. 19 NO. 33 OF THE GERMAN CAPITAL INVESTMENT CODE. SHARES MAY BE MARKETED TO SEMI-PROPFESSIONAL INVESTORS IN GERMANY PURSUANT TO THE MARKETING PASSPORT OBTAINED FOR GERMANY. A KEY INFORMATION DOCUMENT REQUIRED BY THE PRIIPS REGULATION FOR OFFERING OR SELLING THE SHARES OR OTHERWISE MAKING THEM AVAILABLE TO RETAIL INVESTORS (INCLUDING SEMI-PROFESSIONAL INVESTORS) HAS BEEN PREPARED AND SHALL BE PROVIDED TO SUCH RETAIL INVESTORS BY THE PERSON OFFERING, SELLING, ADVISING ON OR OTHERWISE MAKING AVAILABLE IN ACCORDANCE WITH THE REQUIREMENTS OF THE PRIIPS REGULATION.

FOR RESIDENTS OF ITALY ONLY

IN ITALY, IN ADDITION TO PROFESSIONAL INVESTORS, THE SHARES MAY BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO NON-PROFESSIONAL INVESTORS WHICH COMPLY WITH THE REQUIREMENTS SET OUT UNDER ARTICLE 14 OF THE DECREE OF THE MINISTRY OF ECONOMY NO. 30 OF 5 MARCH 2015, AS SUBSEQUENTLY AMENDED. A KEY INFORMATION DOCUMENT REQUIRED BY THE PRIIPS REGULATION FOR OFFERING OR SELLING THE SHARES OR OTHERWISE MAKING THEM AVAILABLE TO NON-PROFESSIONAL INVESTORS HAS BEEN PREPARED AND SHALL BE PROVIDED TO SUCH INVESTORS BY THE PERSON OFFERING, SELLING, ADVISING ON OR OTHERWISE MAKING AVAILABLE SHARES IN ACCORDANCE WITH THE REQUIREMENTS OF THE PRIIPS REGULATION.

AS REQUIRED BY ARTICLE 43A OF THE DIRECTIVE 2011/61/EU ON ALTERNATIVE INVESTMENT FUND MANAGERS, KKR ALTERNATIVE INVESTMENT MANGEMENT UNLIMITED COMPANY HAS APPOINTED FE FUNDINFO (UK) LIMITED TO PROVIDE CERTAIN EUROPEAN FACILITIES AGENT SERVICES IN ITALY IN RESPECT OF THE FUND.

THE SERVICES TO BE PROVIDED BY FE FUNDINFO (UK) LIMITED INCLUDE:

- FACILITATE PROCESSING OF SUBSCRIPTION, REPURCHASE AND REDEMPTION ORDERS AND MAKING OTHER PAYMENTS TO INVESTORS.
- PROVIDE INVESTORS WITH INFORMATION ON THE ABOVE AND HOW REPURCHSAE AND REDEMPTION PROCEEDS ARE PAID.
- FACILITATE THE HANDLING OF INFORMATION RELATING TO AN INVESTOR EXERCISING THEIR INVESTMENT RIGHTS.
- ACT AS A POINT OF CONTACT FOR COMMUNICATING WITH REGULATORS.

FOR ANY FURTHER INFORMATION ON THE ABOVE SERVICES YOU CAN CONTACT FE FUNDINFO (UK) LIMITED AT: FA_GF@FEFUNDINFO.COM.

UNITED KINGDOM

THIS MEMORANDUM IS NOT AVAILABLE FOR GENERAL DISTRIBUTION IN, FROM OR INTO THE UNITED KINGDOM BECAUSE THE FUND IS AN UNREGULATED COLLECTIVE INVESTMENT SCHEME WHOSE PROMOTION IS RESTRICTED BY SECTIONS 238 AND 240 OF THE UK FINANCIAL SERVICES AND MARKETS ACT 2000. IN THE UNITED KINGDOM, WHEN DISTRIBUTED IN, FROM OR INTO THE UNITED KINGDOM, THIS MEMORANDUM IS ONLY INTENDED FOR PERSONS WHICH QUALIFY AS PROFESSIONAL CLIENTS WITHIN THE MEANING OF ARTICLE 2(1)(8) OF REGULATION (EU) 600/2014 ON MARKETS IN FINANCIAL INSTRUMENTS ("PROFESSIONAL INVESTORS") AND ANY OTHER PERSONS TO WHOM IT MAY BE COMMUNICATED LAWFULLY. NO OTHER PERSON SHOULD ACT OR RELY ON IT. OTHER PERSONS DISTRIBUTING THIS MEMORANDUM IN, FROM OR INTO THE UNITED KINGDOM MUST SATISFY THEMSELVES THAT IT IS LAWFUL TO DO SO.

THIS MEMORANDUM MAY ONLY BE COMMUNICATED TO (A) PERSONS WHO ARE CERTIFIED HIGH NET WORTH INDIVIDUALS FALLING WITHIN ARTICLE 48 OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FINANCIAL PROMOTION) ORDER 2005 (AS AMENDED) (THE "ORDER") AND WHO HAVE SIGNED A STATEMENT COMPLYING WITH PART I OF SCHEDULE 5 OF THE ORDER; (B) PERSONS WHO ARE SELF-CERTIFIED SOPHISTICATED INVESTORS FALLING WITHIN ARTICLE 50A OF THE ORDER AND WHO HAVE SIGNED A STATEMENT COMPLYING WITH PART I OF SCHEDULE 5 OF THE ORDER; (C) PERSONS WHO HAVE PROFESSIONAL EXPERIENCE IN MATTERS RELATING TO INVESTMENTS, FALLING WITHIN ARTICLE 19(5) ("INVESTMENT PROFESSIONALS") OF THE ORDER;

(D) PERSONS FALLING WITHIN ARTICLE 49(2)(A) TO (D) ("HIGH NET WORTH COMPANIES, UNINCORPORATED ASSOCIATIONS ETC.") OF THE ORDER, OR (E) PERSONS TO WHOM THIS DOCUMENT MAY OTHERWISE LAWFULLY BE COMMUNICATED (THE PERSONS REFERRED TO IN (A) TO (E) BEING REFERRED TO COLLECTIVELY AS "RELEVANT PERSONS").

THIS DOCUMENT IS EXEMPT FROM THE GENERAL RESTRICTION (SET OUT IN SECTION 21 OF THE FINANCIAL SERVICES AND MARKETS ACT 2000) ON THE COMMUNICATION OF INVITATIONS OR INDUCEMENTS TO ENGAGE IN INVESTMENT ACTIVITY ON THE GROUND THAT IT IS MADE ONLY TO RELEVANT PERSONS (INCLUDING CERTIFIED HIGH NET WORTH INDIVIDUALS AND SELF-CERTIFIED SOPHISTICATED INVESTORS AS DESCRIBED ABOVE).

IN ORDER TO QUALIFY AS A CERTIFIED HIGH NET WORTH INDIVIDUAL, A PERSON MUST HAVE AN ANNUAL INCOME OF £170,000 OR MORE AND/OR NET ASSETS OF

£430,000 OR MORE (NOT INCLUDING A HOME (PRIMARY RESIDENCE), ANY LOAN SECURED ON IT OR ANY EQUITY RELEASED FROM IT; ANY PENSION (OR ANY PENSION WITHDRAWALS) OR ANY RIGHTS UNDER INSURANCE CONTRACTS). IN ORDER TO QUALIFY AS A SELF-CERTIFIED SOPHISTICATED INVESTOR, A PERSON MUST BE AT LEAST ONE OF THE FOLLOWING, AND MUST HAVE CERTIFIED HIMSELF AS SUCH: (I) A MEMBER OF A NETWORK OR SYNDICATE OF BUSINESS ANGELS FOR MORE THAN SIX MONTHS, AND STILL A MEMBER; (II) WORKED IN A PROFESSIONAL CAPACITY IN THE PRIVATE EQUITY SECTOR, OR IN THE PROVISION OF FINANCE FOR SMALL AND MEDIUM ENTERPRISES, IN THE LAST TWO YEARS; OR (III) IS A DIRECTOR OF A COMPANY WITH AN ANNUAL TURNOVER OF AT LEAST £1,600,000 IN THE LAST TWO YEARS.

THE CONTENT OF THIS COMMUNICATION HAS NOT BEEN APPROVED BY AN AUTHORISED PERSON WITHIN THE MEANING OF THE UK FINANCIAL SERVICES AND MARKETS ACT OF 2000. THIS DOCUMENT MUST NOT BE ACTED ON OR RELIED ON BY PERSONS WHO ARE NOT RELEVANT PERSONS. THE SHARES ARE AVAILABLE ONLY TO RELEVANT PERSONS. IF ANY RELEVANT PERSON (INCLUDING ANY CERTIFIED HIGH NET WORTH INDIVIDUAL OR SELF-CERTIFIED SOPHISTICATED INVESTOR AS DESCRIBED ABOVE) IS IN ANY DOUBT ABOUT THE INVESTMENT TO WHICH THIS COMMUNICATION RELATES, HE OR SHE SHOULD CONSULT AN AUTHORISED PERSON SPECIALISING IN ADVISING ON INVESTMENTS OF THE KIND IN QUESTION.

THIS MEMORANDUM IS NOT A PROSPECTUS WHICH HAS BEEN APPROVED BY THE FINANCIAL CONDUCT AUTHORITY OR ANY OTHER UK REGULATORY AUTHORITY FOR THE PURPOSES OF SECTION 85 OF THE FINANCIAL SERVICES AND MARKETS ACT 2000.

THE INVESTMENT MANAGER IS RESPONSIBLE FOR MAKING THIS COMMUNICATION. REQUESTS FOR FURTHER INFORMATION OR ANY OTHER ENQUIRY REGARDING THE MATTERS TO WHICH THE COMMUNICATION RELATES SHOULD BE ADDRESSED TO ANTOINE.MADUZZI@KKR.COM. THE INVESTMENT MANAGER IS AN ENTITY INCORPORATED IN IRELAND WITH REGISTERED NUMBER RA000402 AND ADDRESS AT 75. ST. STEPHENS GREEN DUBLIN 2 IRELAND.

FOR RESIDENTS OF ARGENTINA ONLY

THE SHARES DESCRIBED IN THIS MEMORANDUM HAVE NOT BEEN, AND WILL NOT BE, AUTHORISED FOR PUBLIC OFFERING IN ARGENTINA. NOTHING IN THIS MEMORANDUM CONSTITUTES AN OFFER FOR THE SALE OF THE FUND'S SHARES. THIS MEMORANDUM IS PROVIDED TO YOU UPON YOUR REQUEST AND FOR INFORMATION PURPOSES ONLY. WE HAVE NOT AUTHORISED ANYONE ELSE TO PROVIDE YOU WITH ADDITIONAL INFORMATION. THE INFORMATION PROVIDED HEREIN MAY NOT BE DOWNLOADED, FORWARDED OR DISTRIBUTED, IN WHOLE OR IN PART, TO ANY OTHER PERSON, AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER. ANY SUCH DOWNLOADING, FORWARDING, DISTRIBUTION OR REPRODUCTION, IN WHOLE OR IN PART, IS UNAUTHORISED; AND FAILURE TO COMPLY WITH THIS REQUIREMENT MAY RESULT IN A VIOLATION OF APPLICABLE LAWS OF ARGENTINA. YOU MUST NOT CONSIDER ANY INFORMATION IN THIS MEMORANDUM TO BE INVESTMENT ADVICE OR ADVICE OF ANY OTHER SORT.

FOR RESIDENTS OF AUSTRALIA ONLY

THE SHARES ARE ONLY BEING OFFERED IN CIRCUMSTANCES UNDER WHICH NO DISCLOSURE IS REQUIRED UNDER PART 6D OR PART 7.9 OF THE CORPORATIONS ACT 2001 (CTH) (THE "CORPORATIONS ACT"). ANY OFFER OF THE SHARES DOES NOT PURPORT TO BE AN OFFER OF THE SHARES IN CIRCUMSTANCES UNDER WHICH DISCLOSURE IS REQUIRED UNDER PART 6D OR PART 7.9 OF THE CORPORATIONS ACT AND WILL ONLY BE MADE TO PERSONS WHO QUALIFY AS A "WHOLESALE CLIENT", A "SOPHISTICATED INVESTOR" OR A "PROFESSIONAL INVESTOR" (IN EACH CASE, AS

DEFINED IN THE CORPORATIONS ACT). THE FUND IS NOT, AND IS NOT REQUIRED TO BE, REGISTERED IN AUSTRALIA AS A MANAGED INVESTMENT SCHEME. THIS DOCUMENT IS NOT A PROSPECTUS OR PRODUCT DISCLOSURE STATEMENT, AND DOES NOT CONTAIN ALL OF THE INFORMATION WHICH WOULD BE REQUIRED IN A PROSPECTUS OR PRODUCT DISCLOSURE STATEMENT. THIS MEMORANDUM WILL NOT BE, AND IS NOT REQUIRED TO BE, LODGED WITH THE AUSTRALIAN SECURITIES AND INVESTMENTS COMMISSION.

SHARES SUBSCRIBED FOR BY INVESTORS IN AUSTRALIA MUST NOT BE TRANSFERRED OR OFFERED FOR RESALE IN AUSTRALIA FOR 12 MONTHS FROM ALLOTMENT EXCEPT IN CIRCUMSTANCES WHERE DISCLOSURE TO INVESTORS UNDER THE CORPORATIONS ACT WOULD NOT BE REQUIRED OR WHERE A COMPLIANT PRODUCT DISCLOSURE STATEMENT OR PROSPECTUS (AS APPLICABLE) IS PRODUCED. ANY PERSON ACQUIRING SHARES MUST OBSERVE SUCH AUSTRALIAN ON-SALE RESTRICTIONS.

THIS DOCUMENT CONTAINS GENERAL INFORMATION ONLY AND DOES NOT TAKE ACCOUNT OF THE INVESTMENT OBJECTIVES, FINANCIAL SITUATION OR PARTICULAR NEEDS OF ANY PARTICULAR PERSON. IT DOES NOT CONTAIN ANY FINANCIAL PRODUCT RECOMMENDATIONS OR FINANCIAL PRODUCT ADVICE. BEFORE MAKING AN INVESTMENT DECISION, INVESTORS NEED TO CONSIDER WHETHER THE INFORMATION IN THIS MEMORANDUM IS APPROPRIATE TO THEIR NEEDS, OBJECTIVES AND CIRCUMSTANCES, AND, IF NECESSARY, SEEK EXPERT ADVICE ON THOSE MATTERS.

FOR RESIDENTS OF THE BAHAMAS ONLY

THIS MEMORANDUM IS NOT, IS NOT INTENDED TO SERVE AS, AND SHALL NOT BE CONSTRUED AS, A DISTRIBUTION OF THE SHARES IN THE BAHAMAS. THE OFFER OF SHARES IN THE BAHAMAS CONTEMPLATED BY THIS MEMORANDUM SHALL ONLY TAKE PLACE IN ACCORDANCE WITH APPLICABLE BAHAMIAN LAW. THIS MEMORANDUM IS INTENDED ONLY FOR PERSONS IN THE BAHAMAS THAT QUALIFY AS ACCREDITED INVESTORS AND IS NOT, IS NOT INTENDED TO SERVE AS, AND SHALL NOT BE CONSTRUED AS, AN INVITATION TO SUBSCRIBE FOR SHARES IN THE FUND TO PERSONS IN THE BAHAMAS WHO ARE NOT ACCREDITED INVESTORS. PERSONS DEEMED "RESIDENTS" OF THE BAHAMAS PURSUANT TO THE EXCHANGE CONTROL REGULATIONS, 1956 OF THE BAHAMAS MUST RECEIVE THE PRIOR APPROVAL OF THE CENTRAL BANK OF THE BAHAMAS BEFORE ACCEPTING AN OFFER TO PURCHASE ANY SHARES.

FOR RESIDENTS OF BAHRAIN ONLY

THIS MEMORANDUM HAS NOT BEEN REVIEWED BY, REGISTERED WITH OR FILED WITH THE CENTRAL BANK OF BAHRAIN. THIS MEMORANDUM MAY NOT BE CIRCULATED WITHIN THE KINGDOM OF BAHRAIN, THE SHARES MAY NOT BE OFFERED FOR SUBSCRIPTION OR SOLD, DIRECTLY OR INDIRECTLY, AND NO INVITATION OR OFFER TO SUBSCRIBE FOR THE SHARES MAY BE MADE, TO PERSONS IN THE KINGDOM OF BAHRAIN. THE CENTRAL BANK OF BAHRAIN IS NOT RESPONSIBLE FOR THE PERFORMANCE OF THE FUND OR ITS SPONSOR.

FOR RESIDENTS OF BRAZIL ONLY

THIS OFFERING IS NOT A PUBLIC OFFERING OF SECURITIES FOR THE PURPOSES OF THE APPLICABLE BRAZILIAN REGULATIONS AND HAS THEREFORE NOT BEEN AND WILL NOT BE REGISTERED WITH THE BRAZILIAN SECURITIES COMMISSION (*COMISSÃO DE VALORES MOBILIÁRIOS*) OR ANY OTHER GOVERNMENT AUTHORITY IN BRAZIL. ALL INFORMATION CONTAINED HEREIN IS CONFIDENTIAL AND IS FOR THE EXCLUSIVE USE AND REVIEW OF THE INTENDED ADDRESSEE OF THIS MEMORANDUM, AND MAY NOT BE PASSED ON TO ANY THIRD PARTY.

FOR RESIDENTS OF BRUNEI ONLY

NOTICE TO RESIDENTS OF BRUNEI DARUSSALAM: THIS MEMORANDUM IS A PRIVATE PLACEMENT MEMORANDUM AND, AS SUCH, IT IS NOT AND SHALL NOT BE

CONSTRUED AS AN OFFER TO SELL OR AN INVITATION OR SOLICITATION OF AN OFFER TO BUY OR SUBSCRIBE FOR ANY SHARES TO THE PUBLIC OR ANY CLASS OR SECTION THEREOF IN BRUNEI DARUSSALAM AND IS FOR INFORMATION PURPOSES ONLY. THIS MEMORANDUM, AND ANY OTHER DOCUMENT, CIRCULAR, NOTICE OR OTHER MATERIALS ISSUED IN CONNECTION THEREWITH, SHALL NOT BE DISTRIBUTED OR REDISTRIBUTED, PUBLISHED OR ADVERTISED, DIRECTLY OR INDIRECTLY, TO, AND SHALL NOT BE RELIED UPON OR USED BY, THE PUBLIC OR ANY MEMBER OF THE PUBLIC IN BRUNEI DARUSSALAM. **ALL OFFERS, ACCEPTANCES SUBSCRIPTIONS, SALES, AND ALLOTMENTS OF THE SHARES OR ANY PART THEREOF SHALL BE MADE OUTSIDE BRUNEI DARUSSALAM. THIS MEMORANDUM AND THE SHARES HAVE NOT BEEN DELIVERED TO, REGISTERED WITH, OR LICENSED OR APPROVED BY THE BRUNEI DARUSSALAM CENTRAL BANK, THE AUTHORITY DESIGNATED UNDER THE SECURITIES MARKETS ORDER, 2013 OR BY ANY OTHER GOVERNMENT AGENCY, OR UNDER ANY OTHER LAW, IN BRUNEI DARUSSALAM**. NOTHING IN THIS MEMORANDUM SHALL CONSTITUTE LEGAL, TAX, ACCOUNTING OR INVESTMENT ADVICE. THE RECIPIENT SHOULD INDEPENDENTLY EVALUATE ANY SPECIFIC INVESTMENT IN CONSULTATION WITH PROFESSIONAL ADVISORS IN LAW, TAX, ACCOUNTING AND INVESTMENTS.

FOR RESIDENTS OF CANADA ONLY

SECURITIES LEGISLATION IN CERTAIN PROVINCES OR TERRITORIES OF CANADA MAY PROVIDE AN INVESTOR WITH REMEDIES FOR RESCISSION OR DAMAGES IF THE OFFERING MEMORANDUM (INCLUDING ANY AMENDMENT THERETO) CONTAINS A MISREPRESENTATION, *PROVIDED THAT* THE REMEDIES FOR RESCISSION OR DAMAGES ARE EXERCISED BY THE INVESTOR WITHIN THE TIME LIMIT PRESCRIBED BY THE SECURITIES LEGISLATION OF THE INVESTOR'S PROVINCE OR TERRITORY. THE INVESTOR SHOULD REFER TO ANY APPLICABLE PROVISIONS OF THE SECURITIES LEGISLATION OF THE INVESTOR'S PROVINCE OR TERRITORY FOR PARTICULARS OF THESE RIGHTS OR CONSULT WITH A LEGAL ADVISER. THE SHARES MAY BE SOLD ONLY TO INVESTOR'S PURCHASING, OR DEEMED TO BE PURCHASING, AS PRINCIPAL THAT ARE ACCREDITED INVESTORS, AS DEFINED IN NATIONAL INSTRUMENT 45-106 PROSPECTUS EXEMPTIONS OR SUBSECTION 73.3(1) OF THE SECURITIES ACT (ONTARIO), AND ARE PERMITTED CLIENTS, AS DEFINED IN NATIONAL INSTRUMENT 31-103 REGISTRATION REQUIREMENTS, EXEMPTIONS AND ONGOING REGISTRANT OBLIGATIONS. ANY RESALE OF THE SECURITIES MUST BE MADE IN ACCORDANCE WITH AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE PROSPECTUS REQUIREMENTS OF APPLICABLE CANADIAN PROVINCIAL SECURITIES LAWS

FOR RESIDENTS OF CAYMAN ISLANDS ONLY

NO OFFER OR INVITATION MAY BE MADE TO THE PUBLIC IN THE CAYMAN ISLANDS TO SUBSCRIBE FOR THE SHARES. THE FUND SHALL NOT CARRY ON ANY BUSINESS WITH ANY PERSON IN THE CAYMAN ISLANDS, OTHER THAN INSOFAR AS MAY BE NECESSARY FOR THE CARRYING ON OF THE BUSINESS OF THE FUND OUTSIDE OF THE CAYMAN ISLANDS.

FOR RESIDENTS OF CHILE ONLY

LA FECHA DE INICIO DE LA OFERTA ES LA DEL PRESENTE *MEMORANDUM*. LA PRESENTE OFERTA SE ACOGE A LA NORMA DE CARÁCTER GENERAL N° 336 DE LA COMISIÓN PARA EL MERCADO FINANCIERO DE CHILE ("CMF"). LA PRESENTE OFERTA VERSA SOBRE VALORES NO INSCRITOS EN EL REGISTRO DE VALORES O EN EL REGISTRO DE VALORES EXTRANJEROS QUE LLEVA LA CMF, POR LO QUE LOS VALORES SOBRE LOS CUALES ÉSTA VERSA, NO ESTÁN SUJETOS A SU FISCALIZACIÓN. POR TRATARSE DE VALORES NO INSCRITOS, NO EXISTE LA OBLIGACIÓN POR PARTE DEL EMISOR DE ENTREGAR EN CHILE INFORMACIÓN PÚBLICA RESPECTO DE ESTOS VALORES. ESTOS VALORES NO PODRÁN SER OBJETO DE OFERTA PÚBLICA MIENTRAS NO SEAN INSCRITOS EN EL REGISTRO DE VALORES CORRESPONDIENTE.

THE DATE OF COMMENCEMENT OF THE OFFERING IS THAT OF THIS MEMORANDUM. THIS OFFERING IS SUBJECT TO GENERAL RULE NO. 336 (*NORMA DE CARÁCTER GENERAL N° 336*) OF THE CHILEAN SECURITIES, BANKING AND INSURANCE REGULATOR, THE "*COMISIÓN PARA EL MERCADO FINANCIERO*" ("CMF"). THIS OFFERING DEALS WITH SECURITIES THAT ARE NOT REGISTERED IN THE SECURITIES REGISTRY (*REGISTRO DE VALORES)*, NOR IN THE FOREIGN SECURITIES REGISTRY (*REGISTRO DE VALORES EXTRANJEROS*), KEPT BY THE CMF, AND, THEREFORE, THE SHARES THAT THIS OFFER REFERS TO ARE NOT SUBJECT TO THE SUPERVISION OF THE CMF. GIVEN THE FACT THAT THESE SECURITIES ARE NOT REGISTERED WITH THE CMF, THERE IS NO OBLIGATION FOR THE ISSUER TO DISCLOSE IN CHILE PUBLIC INFORMATION ABOUT THE SHARES. THE SHARES MAY NOT BE PUBLICLY OFFERED AS LONG AS THEY ARE NOT REGISTERED IN THE CORRESPONDING SECURITIES REGISTRY KEPT BY THE CMF.

FOR RESIDENTS OF COLOMBIA ONLY

THIS MEMORANDUM DOES NOT CONSTITUTE AN INVITATION TO INVEST OR A PUBLIC OFFER IN THE REPUBLIC OF COLOMBIA AND IS NOT GOVERNED BY COLOMBIAN LAW. THE SHARES HAVE NOT BEEN AND WILL NOT BE REGISTERED WITH THE NATIONAL REGISTER OF SECURITIES AND ISSUERS (*EL REGISTRO NACIONAL DE VALORES Y EMISORES*) MAINTAINED BY THE FINANCIAL SUPERVISORY AUTHORITY OF COLOMBIA (*LA SUPERINTENDENCIA FINANCIERA DE COLOMBIA*) AND WILL NOT BE LISTED ON THE COLOMBIAN STOCK EXCHANGE (*LA BOLSA DE VALORES DE COLOMBIA*). THE SHARES ARE BEING OFFERED UNDER CIRCUMSTANCES WHICH DO NOT CONSTITUTE A PUBLIC OFFERING OF SECURITIES UNDER APPLICABLE COLOMBIAN SECURITIES LAWS AND REGULATIONS. THE OFFER OF THE SHARES IS ADDRESSED TO FEWER THAN ONE HUNDRED SPECIFICALLY IDENTIFIED INVESTORS. ACCORDINGLY, THE SHARES MAY NOT BE MARKETED, OFFERED, SOLD OR NEGOTIATED IN COLOMBIA, EXCEPT UNDER CIRCUMSTANCES WHICH DO NOT CONSTITUTE A PUBLIC OFFERING OF SECURITIES UNDER APPLICABLE COLOMBIAN SECURITIES LAWS AND REGULATIONS. THIS MEMORANDUM IS PROVIDED AT THE REQUEST OF THE ADDRESSEE FOR INFORMATION PURPOSES ONLY AND DOES NOT CONSTITUTE A SOLICITATION. THE SHARES MAY NOT BE PROMOTED OR MARKETED IN COLOMBIA OR TO COLOMBIAN RESIDENTS UNLESS SUCH PROMOTION AND MARKETING IS CARRIED OUT IN COMPLIANCE WITH DECREE 2555 OF 2010 AND OTHER APPLICABLE RULES AND REGULATIONS RELATED TO THE PROMOTION OF FOREIGN FINANCIAL AND SECURITIES-RELATED PRODUCTS OR SERVICES IN COLOMBIA.

ELIGIBLE COLOMBIAN INVESTORS ACKNOWLEDGE THE COLOMBIAN LAWS AND REGULATIONS (IN PARTICULAR, FOREIGN EXCHANGE, SECURITIES AND TAX REGULATIONS) APPLICABLE TO ANY TRANSACTION OR INVESTMENT CONSUMMATED IN CONNECTION WITH AN INVESTMENT IN THE FUND, AND AGREE THAT THEY ARE THE SOLE PARTY RESPONSIBLE FOR FULL COMPLIANCE WITH SUCH LAWS AND REGULATIONS. FURTHERMORE, COLOMBIAN INVESTORS ACKNOWLEDGE AND AGREE THAT THE FUND SHALL HAVE NO RESPONSIBILITY, LIABILITY, IMPLICATION OR OBLIGATION IN CONNECTION WITH ANY CONSENT, APPROVAL, FILING, PROCEDURE, AUTHORIZATION OR PERMIT REQUIRED BY THE INVESTOR OR ANY ACTION TAKEN OR TO BE TAKEN BY THE INVESTOR IN CONNECTION WITH THE OFFER, SALE OR DELIVERY OF THESE MEMORANDUM AND INFORMATION UNDER COLOMBIAN LAW.

FOR RESIDENTS OF GUERNSEY ONLY

THIS MEMORANDUM HAS NOT BEEN APPROVED OR AUTHORISED BY THE GUERNSEY FINANCIAL SERVICES COMMISSION (THE "COMMISSION"), NOR HAS IT BEEN DELIVERED TO THE COMMISSION PURSUANT TO THE PROSPECTUS RULES AND GUIDANCE, 2021 ISSUED UNDER THE PROTECTION OF INVESTORS (BAILIWICK OF GUERNSEY) LAW, 2020, AND THEREFORE THIS MEMORANDUM MAY NOT BE CIRCULATED BY WAY OF PUBLIC OFFER IN THE BAILIWICK OF GUERNSEY.

FOR RESIDENTS OF HONG KONG ONLY

ANY FUND OR FUNDS MENTIONED IN THIS MEMORANDUM HAVE NOT BEEN AUTHORISED BY THE HONG KONG SECURITIES AND FUTURES COMMISSION, AND NO PERSON MAY ISSUE, OR HAVE IN ITS POSSESSION FOR THE PURPOSES OF ISSUE, WHETHER IN HONG KONG OR ELSEWHERE, ANY ADVERTISEMENT, INVITATION, OR DOCUMENT RELATING TO THE FUND WHICH IS DIRECTED AT, OR THE CONTENTS OF WHICH ARE LIKELY TO BE ACCESSED OR READ BY, THE PUBLIC OF HONG KONG. THE FUND IS ONLY FOR SALE TO PERSONS IN HONG KONG WHO ARE "PROFESSIONAL INVESTORS" AS DEFINED IN THE SECURITIES AND FUTURES ORDINANCE (CAP. 571) OF HONG KONG AND ANY RULES MADE UNDER THAT ORDINANCE. THIS MEMORANDUM AND ANY INFORMATION CONTAINED HEREIN MAY NOT BE USED OTHER THAN BY THE PERSON TO WHOM IT IS ADDRESSED AND MAY NOT BE REPRODUCED IN ANY FORM OR TRANSFERRED TO ANY PERSON IN HONG KONG. THE CONTENTS OF THIS MEMORANDUM HAVE NOT BEEN REVIEWED BY ANY REGULATORY AUTHORITY IN HONG KONG. YOU ARE ADVISED TO EXERCISE CAUTION IN RELATION TO THE OFFER. IF YOU ARE IN ANY DOUBT ABOUT THE CONTENTS OF THIS MEMORANDUM, YOU SHOULD SEEK INDEPENDENT PROFESSIONAL ADVICE.

FOR RESIDENTS OF INDIA ONLY

THIS MEMORANDUM DOES NOT CONSTITUTE AN OFFER TO THE PUBLIC GENERALLY TO SUBSCRIBE FOR OR OTHERWISE ACQUIRE THE SHARES. THIS MEMORANDUM IS STRICTLY CONFIDENTIAL AND IS FOR THE EXCLUSIVE USE OF THE PERSONS TO WHOM IT IS DELIVERED AND SHOULD NOT BE CIRCULATED OR DISTRIBUTED TO THIRD PARTIES.

FOR RESIDENTS OF INDONESIA ONLY

THIS MEMORANDUM IS NOT A PUBLIC OFFERING WITHIN THE MEANING OF THE INDONESIAN CAPITAL MARKET LAW AND THEREFORE HAS NOT BEEN AND IS NOT INTENDED TO BE FILED WITH THE INDONESIA FINANCIAL SERVICES AUTHORITY (*OTORITAS JASA KEUANGAN* – OJK). THE DISTRIBUTION OF THIS MEMORANDUM AND THE OFFER, SALE AND DELIVERY OF THE SHARES MAY BE RESTRICTED BY THE INDONESIAN CAPITAL MARKET LAW. PERSONS WHO RECEIVE THIS MEMORANDUM ARE REQUIRED TO INFORM THEMSELVES ABOUT, AND TO OBSERVE, ANY SUCH RESTRICTIONS.

THIS MEMORANDUM MAY NOT BE USED FOR THE PURPOSES OF AN OFFER OR INVITATION TO PURCHASE, INVEST IN OR OTHERWISE PARTICIPATE IN AN OFFERING OF SECURITIES TO THE PUBLIC IN INDONESIA IN ANY CIRCUMSTANCES.

FOR RESIDENTS OF ISRAEL ONLY

THIS MEMORANDUM SHALL NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY ANY SHARES IN THE STATE OF ISRAEL. THIS MEMORANDUM IS NOT INTENDED TO BE ISSUED TO PERSONS OTHER THAN TO INDIVIDUALS AND/OR CORPORATIONS OF THE TYPE CONTEMPLATED BY SECTION 15A(B)(1) OF, AND THE FIRST SCHEDULE TO, THE ISRAELI SECURITIES LAW, 1968, AS AMENDED FROM TIME TO TIME, AND ANY REGULATIONS PROMULGATED THEREUNDER (THE "ISRAELI SECURITIES LAW"). THE ISRAELI JOINT INVESTMENT IN TRUST LAW, 1994 (THE "ISRAELI JOINT INVESTMENT LAW") IS NOT AND WILL NOT BE APPLICABLE TO THE FUND. THE FUND AGREEMENT CONTAINS NO PROVISION FOR THE APPOINTMENT OF A TRUSTEE TO BE APPROVED UNDER SECTION 9 OF THE ISRAELI JOINT INVESTMENT LAW AND THE FUND MANAGER IS NOT A COMPANY APPROVED AS A FUND MANAGER UNDER SECTION 13 OF SUCH LAW. THE FUND WILL NOT BE SUBMITTED FOR REGISTRATION WITH THE ISRAELI SECURITIES AUTHORITY.

IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE FUND AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THE SHARES HAVE NOT BEEN RECOMMENDED BY THE ISRAELI SECURITIES AUTHORITY OR THE REGULATORY AUTHORITY OF ANY OTHER JURISDICTION. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED

THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS MEMORANDUM. FOR THE AVOIDANCE OF ANY DOUBT NO INVESTMENT ADVICE IS BEING GIVEN TO THE INVESTORS BY THE FUND OR ITS REPRESENTATIVES UNDER THE ISRAELI INVESTMENT ADVISING, INVESTMENT MARKETING AND INVESTMENT PORTFOLIO MANAGEMENT LAW, 1995 (THE "ISRAELI INVESTMENT ADVISING LAW"). IN MARKETING, THE PERSONAL CIRCUMSTANCES, INVESTMENT OBJECTIVES AND REQUIREMENTS OF THE INVESTOR HAVE NOT AND WILL NOT BE CONSIDERED. THE FUND AND ITS REPRESENTATIVES ARE NOT LICENSED UNDER THE LAWS OF THE STATE OF ISRAEL AS INVESTMENT ADVISOR OR INVESTMENT MARKETER.

THE OFFER AND SALE OF THE SHARES WILL NOT BE REGISTERED UNDER THE ISRAELI SECURITIES LAW. PRIOR TO THE PURCHASE OF ANY SHARES, A PROSPECTIVE INVESTOR MAY BE REQUIRED TO REPRESENT TO THE FUND THAT IT IS AN INDIVIDUAL AND/OR CORPORATION OF THE TYPE CONTEMPLATED BY SECTION 15A(B)(1) OF, AND THE FIRST SCHEDULE TO, THE ISRAELI SECURITIES LAW, OR MAY OTHERWISE BE REQUIRED TO DEMONSTRATE TO THE SATISFACTION OF THE FUND THAT THE OFFER AND SALE OF SHARES TO SUCH PROSPECTIVE INVESTOR WOULD NOT GIVE RISE TO CIRCUMSTANCES WHICH WOULD CONSTITUTE AN OFFER OR SALE TO THE PUBLIC WITHIN THE MEANING OF THE ISRAELI SECURITIES LAW OR THE ISRAELI JOINT INVESTMENT LAW.

FOR RESIDENTS OF JAPAN ONLY

SHARES IN THE SUB-FUND (THE "SHARES") HAVE NOT BEEN AND WILL NOT BE REGISTERED PURSUANT TO ARTICLE 4, PARAGRAPH 1 OF THE FINANCIAL INSTRUMENTS AND EXCHANGE LAW OF JAPAN (THE "FIEL") WITH RESPECT TO THE SOLICITATION OF THE APPLICATION FOR THE ACQUISITION OF THE SHARES ON THE GROUNDS THAT THE SOLICITATION CONSTITUTES A "SOLICITATION FOR A SMALL NUMBER OF INVESTORS" AS SET FORTH IN ARTICLE 23-13, PARAGRAPH 4 OF THE FIEL OR THAT THE SOLICITATION FOR CERTAIN QUALIFIED INSTITUTIONAL INVESTORS ("QIIS") AS DEFINED IN ARTICLE 2, PARAGRAPH 3, ITEM 1 OF THE FIEL AND ARTICLE 10 OF THE CABINET ORDER REGARDING DEFINITIONS UNDER ARTICLE 2 OF THE FINANCIAL INSTRUMENTS AND EXCHANGE LAW CONSTITUTES A "SOLICITATION FOR QIIS" AS DEFINED IN ARTICLE 23-13, PARAGRAPH 1 OF THE FIEL AND, ACCORDINGLY, THE SHARES MAY NOT BE OFFERED OR SOLD, DIRECTLY OR INDIRECTLY, IN JAPAN OR TO, OR FOR THE BENEFIT, OF ANY JAPANESE PERSON OR TO OTHERS FOR RE-OFFERING OR RESALE, DIRECTLY OR INDIRECTLY, IN JAPAN OR TO ANY JAPANESE PERSON EXCEPT UNDER CIRCUMSTANCES WHICH WILL RESULT IN COMPLIANCE WITH ALL APPLICABLE LAWS, REGULATIONS AND GUIDELINES PROMULGATED BY THE RELEVANT JAPANESE GOVERNMENTAL AND REGULATORY AUTHORITIES AND IN EFFECT AT THE RELEVANT TIME. FOR THIS PURPOSE, A "JAPANESE PERSON" MEANS ANY PERSON RESIDENT IN JAPAN, INCLUDING ANY CORPORATION OR OTHER ENTITY ORGANIZED UNDER THE LAWS OF JAPAN. ANY SOLICITATION OF THE SHARES SHALL NOT BE MADE, IF, AS A RESULT OF SUCH SOLICITATION, THE NUMBER OF PERSONS (INCLUDING BENEFICIAL OWNERS OR LEGAL ENTITIES, BUT EXCLUDING "NON-RESIDENTS" OF JAPAN AS DEFINED IN ARTICLE 6, PARAGRAPH 1, ITEM 6 OF THE FOREIGN EXCHANGE AND FOREIGN TRADE LAW OF JAPAN WHO ARE SOLICITED OUTSIDE JAPAN) WHO ARE SOLICITED FOR PURCHASE OF THE SHARES (INCLUDING NEWLY ISSUED SHARES WHICH ARE OF THE SAME KIND AS SHARES AS DEFINED UNDER ARTICLE 1-6 OF THE ENFORCEMENT ORDER OF THE FINANCIAL INSTRUMENTS AND EXCHANGE LAW AND WHICH WERE ISSUED WITHIN THREE MONTHS BEFORE THE DATE OF ISSUE OF THE SHARES) WILL EXCEED 49. NOTWITHSTANDING ANYTHING TO THE CONTRARY, FOR PURPOSES OF DETERMINING COMPLIANCE WITH THE 49 OFFEREE LIMITATION SET FORTH ABOVE, THE FOLLOWING SHALL APPLY: THE SHARES MAY BE PLACED SIMULTANEOUSLY WITH QIIS IF THE OFFER IS MADE ON THE CONDITION THAT THE OFFEREES ENTER INTO AN AGREEMENT IN WHICH THE OFFEREES (I) AGREE NOT TO TRANSFER THE SHARES TO ANY PERSON OTHER THAN QIIS AND (II) AGREE TO NOTIFY ANY SUCH TRANSFEREE IN WRITING OF THE TRANSFER RESTRICTION DESCRIBED AT (I) ABOVE UPON OR PRIOR TO SUCH TRANSFER. IF THE REQUIREMENTS SET FORTH AT (I) AND (II) ABOVE ARE MET, THE NUMBER OF OFFEREES THAT ARE QIIS WILL NOT BE COUNTED TOWARDS THE 49 OFFEREE LIMITATION SET FORTH ABOVE. IF THE OFFERING OF THE SHARES IS MADE TO QIIS ON THE CONDITION ABOVE, SUCH QIIS SHALL BE REQUIRED TO ENTER INTO AN

AGREEMENT, UPON QIIS' SUBSCRIPTION OF THE SHARES, IN WHICH THE OFFEREES (A) AGREE NOT TO TRANSFER THE SHARES TO ANY PERSON OTHER THAN QIIS AND (B) AGREE TO NOTIFY ANY SUCH TRANSFEREE IN WRITING OF THE TRANSFER RESTRICTION DESCRIBED AT (A) ABOVE UPON OR PRIOR TO SUCH TRANSFER.

FOR RESIDENTS OF JERSEY ONLY

NO ACTION HAS BEEN TAKEN TO AUTHORIZE AN OFFERING OF THE SHARES IN JERSEY. THE DISTRIBUTION OF THIS MEMORANDUM IN JERSEY HAS NOT BEEN AUTHORISED BY THE JERSEY FINANCIAL SERVICES COMMISSION. NO CONSENT, REGISTRATION OR AUTHORIZATION HAS BEEN SOUGHT OR OBTAINED FROM THE JERSEY FINANCIAL SERVICES COMMISSION IN RESPECT OF ANY FUNCTIONARY OF THE FUND.

FOR RESIDENTS OF KUWAIT ONLY

THIS MEMORANDUM IS NOT FOR GENERAL CIRCULATION TO THE PUBLIC IN KUWAIT. THE SHARES HAVE NOT BEEN LICENSED FOR OFFERING IN KUWAIT BY THE KUWAIT CAPITAL MARKETS AUTHORITY OR ANY OTHER RELEVANT KUWAITI GOVERNMENT AGENCY. THE OFFERING OF THE SHARES IN KUWAIT ON THE BASIS OF A PRIVATE PLACEMENT OR PUBLIC OFFERING IS, THEREFORE, RESTRICTED IN ACCORDANCE WITH LAW NO. 7 OF 2010 AND THE BYLAWS THERETO (AS AMENDED). NO PRIVATE OR PUBLIC OFFERING OF THE SHARES IS BEING MADE IN KUWAIT, AND NO AGREEMENT RELATING TO THE SALE OF THE SHARES WILL BE CONCLUDED IN KUWAIT. NO MARKETING, SOLICITATION OR INDUCEMENT ACTIVITIES ARE BEING USED TO OFFER OR MARKET THE SHARES IN KUWAIT.

FOR RESIDENTS OF LEBANON ONLY

BY RECEIVING THIS MEMORANDUM, THE PERSON OR ENTITY TO WHOM IT HAS BEEN ISSUED UNDERSTANDS, ACKNOWLEDGES AND AGREES THAT THIS MEMORANDUM HAS NOT BEEN APPROVED BY THE CAPITAL MARKETS AUTHORITY OR ANY OTHER AUTHORITY IN LEBANON, NOR HAS THE GENERAL PARTNER, THE AIFM, THE INVESTMENT MANAGER OR ANY OF THEIR AFFILIATES RECEIVED AUTHORIZATION FROM, OR BEEN LICENSED BY, THE CAPITAL MARKETS AUTHORITY OR ANY OTHER AUTHORITY IN LEBANON TO MARKET OR SELL THE SHARES WITHIN LEBANON. THEREFORE, THE SHARES MAY NOT BE MARKETED OR SOLD IN LEBANON, AND NO SERVICES RELATING TO THE OFFERING, INCLUDING THE RECEIPT OF THIS MEMORANDUM OR THE SUBSCRIPTION AGREEMENT FOR THE SHARES, SHALL BE RENDERED WITHIN LEBANON BY ANY PERSON.

FOR RESIDENTS OF MALAYSIA ONLY

NO APPROVAL OR RECOGNITION FROM THE SECURITIES COMMISSION OF MALAYSIA HAS BEEN APPLIED FOR OR WILL BE OBTAINED FOR MAKING AVAILABLE OR OFFERING FOR SUBSCRIPTION OR PURCHASE OR ISSUING AN INVITATION TO SUBSCRIBE FOR OR PURCHASE THE SHARES IN THE FUND UNDER THE CAPITAL MARKETS AND SERVICES ACT 2007. ACCORDINGLY, THIS MEMORANDUM OR ANY AMENDMENT OR SUPPLEMENT HERETO OR ANY OTHER INVITATION, ADVERTISEMENT, OFFERING DOCUMENT OR OTHER DOCUMENT IN RELATION TO THE FUND MAY NOT BE ISSUED OR DISTRIBUTED IN MALAYSIA DIRECTLY OR INDIRECTLY FOR THE PURPOSE OF ANY OFFER OF THE SHARES IN THE FUND AND NO PERSON MAY OFFER FOR SUBSCRIPTION OR PURCHASE ANY OF THE SHARES IN THE FUND DIRECTLY OR INDIRECTLY TO ANYONE IN MALAYSIA.

FOR RESIDENTS OF MAURITIUS ONLY

THIS MEMORANDUM SHALL NOT CONSTITUTE AN OFFER TO SELL OR A SOLICITATION OF AN OFFER TO BUY THE SHARES, NOR SHALL THERE BE ANY SALE OF SHARES TO THE GENERAL PUBLIC IN MAURITIUS AND THE FUND IS NOT AND DOES NOT INTEND TO BE REGISTERED AS A "REPORTING ISSUER" UNDER THE SECURITIES ACT 2005 (AS AMENDED FROM TIME TO TIME) ("THE SECURITIES ACT"), OR ANY OTHER APPLICABLE LAWS IN MAURITIUS. THIS MEMORANDUM IS NEITHER AN INVITATION NOR A PROSPECTUS NOR

A STATEMENT IN LIEU OF A PROSPECTUS AS DEFINED UNDER THE SECURITIES ACT. ACCORDINGLY, THIS MEMORANDUM HAS NOT BEEN AND WILL NOT BE REGISTERED WITH THE MAURITIUS FINANCIAL SERVICES COMMISSION (THE "FSC"). THE SHARES ARE OFFERED ONLY:

(A) BY WAY OF PRIVATE PLACEMENTS ONLY TO THE PERSONS TO WHOM SUCH OFFER HAS BEEN MADE AND ADDRESSED; AND

(B) TO PERSONS IN MAURITIUS THAT MEET THE CRITERIA OF "SOPHISTICATED INVESTORS" AS DEFINED UNDER THE SECURITIES ACT.

THE FUND HAS NOT BEEN AUTHORISED (OR RECOGNISED) AND DOES NOT INTEND TO SEEK AUTHORISATION (OR RECOGNITION) WITH THE FSC, AND THE FSC EXPRESSES NO OPINION AS TO THE MATTERS CONTAINED IN THIS DOCUMENT AND AS TO THE MERITS ON AN INVESTMENT IN THE FUND. THERE IS NO STATUTORY COMPENSATION SCHEME IN MAURITIUS IN THE EVENT OF THE FUND'S FAILURE.

FOR RESIDENTS OF MEXICO ONLY

THIS MEMORANDUM, INVESTMENT TERMS AND ANY OTHER OFFERING DOCUMENTS RELATED THERETO HAVE NOT BEEN REVIEWED OR AUTHORISED BY THE NATIONAL BANKING AND SECURITIES COMMISSION (*COMISIÓN NACIONAL BANCARIA Y DE VALORES*, THE "CNBV"). THE SHARES HAVE NOT AND WILL NOT BE REGISTERED IN THE NATIONAL SECURITIES' REGISTRY (*REGISTRO NACIONAL DE VALORES*) OF THE CNBV. THE FUND OFFERS THE SHARES UNDER PRIVATE OFFERING PROVISIONS CONTAINED IN ARTICLE 8 OF THE MEXICAN SECURITIES MARKET LAW (*LEY DEL MERCADO DE VALORES*, THE "MEXICAN SECURITIES MARKET LAW"). THE OFFER OF THE SHARES ARE MADE ON THE BASIS THAT EITHER (*A*) ANY PROSPECTIVE PURCHASER OF THE SHARES MUST BE EITHER AN INSTITUTIONAL INVESTOR (*INVERSIONISTA INSTITUCIONAL*) OR A QUALIFIED INVESTOR (*INVERSIONISTA CALIFICADO*) WITHIN THE MEANING OF THE MEXICAN SECURITIES MARKET LAW AND OTHER APPLICABLE MEXICAN LAWS IN EFFECT OR (*B*) THE OFFER IS MADE TO LESS THAN 100 PROSPECTIVE INVESTORS IN MEXICO. THE SHARES SHALL NOT BE OFFERED TO THE PUBLIC OR TRADED IN MEXICO. THIS MEMORANDUM OR ANY OTHER OFFERING DOCUMENTS SHALL NOT BE USED IN CONNECTION WITH ANY GENERAL OFFER TO THE PUBLIC IN MEXICO WITH THE PURPOSE OF OFFERING OR SALE OF THE SHARES. NO MEXICAN REGULATORY AUTHORITY HAS APPROVED OR DISAPPROVED THE SHARES OR PASSED ON THE SOLVENCY OF THE FUND. ALL APPLICABLE PROVISIONS OF THE MEXICAN SECURITIES MARKET LAW MUST BE COMPLIED WITH IN RESPECT OF ANY SALE, OFFER OR DISTRIBUTION OF OR INTERMEDIATION IN RESPECT OF THE SHARES IN, FROM OR OTHERWISE INVOLVING MEXICO.

FOR RESIDENTS OF NEW ZEALAND ONLY

THE FUND MANAGER DOES NOT INTEND THAT THE SHARES BE OFFERED FOR SALE OR SUBSCRIPTION UNDER A REGULATED OFFER IN NEW ZEALAND IN TERMS OF THE FINANCIAL MARKETS CONDUCT ACT 2013 OF NEW ZEALAND (OR ANY STATUTORY MODIFICATION OR RE-ENACTMENT OF, OR STATUTORY SUBSTITUTION FOR, THAT ACT) ("FMC ACT"). ACCORDINGLY:

(A) NO PRODUCT DISCLOSURE STATEMENT HAS BEEN PREPARED OR WILL BE REGISTERED; AND

(B) THE SHARES HAVE NOT BEEN AND MAY NOT BE OFFERED OR SOLD TO ANY PERSON IN NEW ZEALAND OTHER THAN "WHOLESALE INVESTORS" AS THAT TERM IS DEFINED IN CLAUSE 3(2) OF SCHEDULE 1 OF THE FMC ACT, BEING A PERSON THAT:

(I) IS AN "INVESTMENT BUSINESS";

(II) MEETS THE INVESTMENT ACTIVITY CRITERIA SPECIFIED IN CLAUSE 38 OF SCHEDULE 1 OF THE FMC ACT;

(III) IS "LARGE"; OR

(IV) IS A GOVERNMENT AGENCY,

IN EACH CASE, AS DEFINED IN SCHEDULE 1 OF THE FMC ACT.

NO ACTION HAS BEEN TAKEN BY THE FUND MANAGER WHICH WOULD PERMIT AN OFFER OF THE SHARES, OR POSSESSION OR DISTRIBUTION OF ANY OFFERING MATERIAL, TO ANY PERSON OTHER THAN AS SPECIFIED IN B(I) THROUGH (IV) ABOVE. NO OFFEREE OF THE SHARES SHALL DIRECTLY OR INDIRECTLY OFFER, SELL OR DELIVER ANY SHARES, OR DISTRIBUTE THIS MEMORANDUM OR ANY ADVERTISEMENT IN RELATION TO ANY OFFER OF THE SHARES, IN NEW ZEALAND, OTHER THAN TO PERSONS SPECIFIED IN B(I) THROUGH (IV) ABOVE.

FOR RESIDENTS OF OMAN ONLY

THE INFORMATION CONTAINED IN THIS MEMORANDUM IS CONFIDENTIAL AND FOR YOUR INFORMATION ONLY AND NOTHING IN THIS MEMORANDUM IS INTENDED TO ENDORSE OR RECOMMEND A PARTICULAR COURSE OF ACTION. YOU SHOULD CONSULT WITH AN APPROPRIATE PROFESSIONAL FOR SPECIFIC ADVICE RENDERED ON THE BASIS OF YOUR SITUATION. THIS MEMORANDUM NEITHER CONSTITUTES AN OFFER OF SECURITIES IN THE SULTANATE OF OMAN AS CONTEMPLATED BY THE COMMERCIAL COMPANIES LAW OF OMAN (ROYAL DECREE 18/2019 AS AMENDED) OR THE CAPITAL MARKET LAW OF OMAN (ROYAL DECREE 80/98 AS AMENDED), NOR DOES IT CONSTITUTE THE MARKETING OF NON-OMANI SECURITIES IN THE SULTANATE OF OMAN AS CONTEMPLATED BY THE EXECUTIVE REGULATIONS TO THE CAPITAL MARKET LAW (ISSUED PURSUANT TO DECISION NO. 1/2009) (THE "EXECUTIVE REGULATIONS"). THE SHARES HAVE NOT AND WILL NOT BE LISTED ON ANY STOCK EXCHANGE IN THE SULTANATE OF OMAN. THE MANAGER IS NOT A LICENSED BROKER, DEALER, FINANCIAL ADVISOR OR INVESTMENT ADVISOR LICENSED UNDER THE LAWS APPLICABLE IN THE SULTANATE OF OMAN, AND, AS SUCH, DOES NOT ADVISE POTENTIAL INVESTORS IN THE SULTANATE OF OMAN AS TO THE APPROPRIATENESS OF INVESTING IN OR PURCHASING OR SELLING SECURITIES OR OTHER FINANCIAL PRODUCTS. ADDITIONALLY, THIS MEMORANDUM IS NOT INTENDED TO LEAD TO THE CONCLUSION OF ANY CONTRACT OF WHATSOEVER NATURE WITHIN THE TERRITORY OF THE SULTANATE OF OMAN AND IS NOT INTENDED TO CONSTITUTE LEGAL, TAX, ACCOUNTING OR OTHER PROFESSIONAL ADVICE IN, OR IN RESPECT OF, THE SULTANATE OF OMAN. THE RECIPIENT OF THIS MEMORANDUM ACKNOWLEDGES AND AGREES THAT NEITHER THIS MEMORANDUM NOR THE FUND HAS BEEN REGISTERED OR APPROVED BY THE CENTRAL BANK OF OMAN, THE OMAN MINISTRY OF COMMERCE, INDUSTRY AND INVESTMENT PROMOTION, THE OMAN CAPITAL MARKET AUTHORITY OR ANY OTHER AUTHORITY IN THE SULTANATE OF OMAN, NOR IS THE MANAGER AUTHORISED OR LICENSED BY THE CENTRAL BANK OF OMAN, THE OMAN MINISTRY OF COMMERCE, INDUSTRY AND INVESTMENT PROMOTION, THE OMAN CAPITAL MARKET AUTHORITY OR ANY OTHER AUTHORITY IN THE SULTANATE OF OMAN, TO MARKET OR SELL THE SHARES IN THE FUND WITHIN THE SULTANATE OF OMAN. FURTHER, THE RECIPIENT OF THIS MEMORANDUM REPRESENTS THAT IT IS A SOPHISTICATED INVESTOR (AS DESCRIBED IN ARTICLE 139 (F) OF THE EXECUTIVE REGULATIONS) AND HAS SUCH EXPERIENCE IN BUSINESS AND FINANCIAL MATTERS THAT IT IS CAPABLE OF EVALUATING THE MERITS AND RISKS OF AN INVESTMENT IN SECURITIES.

PEOPLE'S REPUBLIC OF CHINA

THIS MEMORANDUM DOES NOT CONSTITUTE A PUBLIC OFFER OF THE SHARES, WHETHER BY WAY OF SALE OR SUBSCRIPTION IN THE PEOPLE'S REPUBLIC OF CHINA (THE "PRC"). RESTRICTIONS EXIST ON THE OFFERING, DISTRIBUTION, TRANSFER AND RESALE OF THE SHARES WITHIN THE PRC, AND THE SHARES MAY NOT BE OFFERED, DISTRIBUTED OR RESOLD TO THE PUBLIC IN THE PRC, OR FOR THE BENEFIT OF LEGAL OR NATURAL PERSONS IN THE PRC, WITHOUT COMPLIANCE WITH PRC LAW OR PRIOR APPROVAL FROM THE PRC REGULATORY AUTHORITIES. FOR THE PURPOSES OF THIS PARAGRAPH, THE PRC DOES NOT INCLUDE HONG KONG, MACAU OR TAIWAN.

FOR RESIDENTS OF PERU ONLY

THE SHARES HAVE NOT BEEN AND WILL NOT BE REGISTERED IN PERU UNDER *DECRETO LEGISLATIVO 861: LEY DEL MERCADO DE VALORES* (THE "SECURITIES MARKET LAW"), AND ARE BEING OFFERED TO INSTITUTIONAL INVESTORS ONLY (AS DEFINED IN ARTICLE 8 OF THE SECURITIES MARKET LAW AND THE REGULATION FOR THE INSTITUTIONAL INVESTORS' MARKET, APPROVED BY RESOLUTION NO 021-2013-SMV/01) PURSUANT TO A PRIVATE PLACEMENT ACCORDING TO ARTICLE 5 OF THE SECURITIES MARKET LAW. THE SHARES HAVE NOT BEEN REGISTERED IN THE SECURITIES MARKET PUBLIC REGISTRY (*REGISTRO PÚBLICO DEL MERCADO DE VALORES*) MAINTAINED BY, AND THE OFFERING OF THE SHARES IN PERU IS NOT SUBJECT TO THE SUPERVISION OF, THE *SUPERINTENDENCIA DEL MERCADO DE VALORES*. ANY TRANSFERS OF THE SHARES SHALL BE SUBJECT TO THE LIMITATIONS CONTAINED IN THE SECURITIES MARKET LAW AND REGULATIONS ISSUED THEREUNDER.

FOR RESIDENTS OF QATAR AND THE QATAR FINANCIAL CENTRE ONLY

THIS MEMORANDUM IS PROVIDED ON AN EXCLUSIVE BASIS TO THE SPECIFICALLY INTENDED RECIPIENT THEREOF, UPON SUCH RECIPIENT'S REQUEST AND INITIATIVE, AND FOR SUCH RECIPIENT'S PERSONAL USE ONLY.

NOTHING IN THIS MEMORANDUM CONSTITUTES, IS INTENDED TO CONSTITUTE, SHALL BE TREATED AS CONSTITUTING OR SHALL BE DEEMED TO CONSTITUTE ANY OFFER OR SALE OF SECURITIES IN THE STATE OF QATAR OR IN THE QATAR FINANCIAL CENTRE, OR THE INWARD MARKETING OF AN INVESTMENT FUND OR AN ATTEMPT TO DO BUSINESS, AS A BANK, AN INVESTMENT COMPANY OR OTHERWISE IN THE STATE OF QATAR OR IN THE QATAR FINANCIAL CENTRE.

NEITHER THIS MEMORANDUM NOR THE SHARES HAVE BEEN APPROVED, REGISTERED OR LICENSED BY THE QATAR CENTRAL BANK, THE QATAR FINANCIAL CENTRE REGULATORY AUTHORITY, THE QATAR FINANCIAL MARKETS AUTHORITY OR ANY OTHER REGULATOR IN THE STATE OF QATAR OR THE QATAR FINANCIAL CENTRE.

NEITHER THIS MEMORANDUM NOR ANY RELATED DOCUMENTS HAVE BEEN REVIEWED OR APPROVED BY THE QATAR FINANCIAL CENTRE REGULATORY AUTHORITY OR THE QATAR CENTRAL BANK, THE QATAR FINANCIAL MARKETS AUTHORITY OR ANY OTHER REGULATOR IN THE STATE OF QATAR OR THE QATAR FINANCIAL CENTRE.

RECOURSE AGAINST THE FUND, AND THOSE INVOLVED WITH IT, MAY BE LIMITED OR DIFFICULT AND MAY HAVE TO BE PURSUED IN A JURISDICTION OUTSIDE QATAR AND THE QATAR FINANCIAL CENTRE.

ANY DISTRIBUTION OF THIS MEMORANDUM BY THE RECIPIENT TO THIRD PARTIES IN QATAR OR THE QATAR FINANCIAL CENTRE IN BREACH OF THE TERMS HEREOF IS NOT AUTHORISED AND SHALL BE AT THE LIABILITY OF SUCH RECIPIENT.

IF YOU DO NOT UNDERSTAND THE CONTENTS OF THIS MEMORANDUM OR ARE UNSURE WHETHER THE SHARES TO WHICH THIS MEMORANDUM RELATES ARE SUITABLE FOR YOUR INDIVIDUAL INVESTMENT OBJECTIVES AND CIRCUMSTANCES, YOU SHOULD CONSULT AN AUTHORISED FINANCIAL ADVISOR.

FOR RESIDENTS OF SAUDI ARABIA ONLY

BY RECEIVING THIS MEMORANDUM, THE PERSON OR ENTITY TO WHOM IT HAS BEEN ISSUED UNDERSTANDS, ACKNOWLEDGES AND AGREES THAT THIS MEMORANDUM HAS NOT BEEN APPROVED BY THE CAPITAL MARKET AUTHORITY OR ANY OTHER AUTHORITY IN THE KINGDOM OF SAUDI ARABIA, NOR HAS THE GENERAL PARTNER, THE MANAGER, THE AIFM OR ANY OF THEIR AFFILIATES RECEIVED AUTHORIZATION FROM, OR BEEN LICENSED BY, THE CAPITAL MARKET AUTHORITY OR ANY OTHER AUTHORITY IN THE KINGDOM OF SAUDI ARABIA TO MARKET OR SELL THE SHARES WITHIN THE KINGDOM OF SAUDI ARABIA. THEREFORE, THE SHARES MAY NOT BE MARKETED OR SOLD IN THE KINGDOM OF SAUDI ARABIA, AND NO SERVICES RELATING

TO THE OFFERING, INCLUDING THE RECEIPT OF THIS MEMORANDUM OR THE SUBSCRIPTION AGREEMENT FOR THE SHARES, SHALL BE RENDERED WITHIN THE KINGDOM OF SAUDI ARABIA BY ANY PERSON.

FOR RESIDENTS OF SINGAPORE ONLY

(A) DAV

NOTICE TO INVESTORS IN SINGAPORE:

THIS MEMORANDUM DOES NOT RELATE TO A COLLECTIVE INVESTMENT SCHEME WHICH IS AUTHORISED UNDER SECTION 286 OF THE SECURITIES AND FUTURES ACT 2001 OF SINGAPORE, AS MODIFIED OR AMENDED FROM TIME TO TIME (THE "SFA") OR RECOGNISED UNDER SECTION 287 OF THE SFA. THE FUND IS NOT AUTHORISED OR RECOGNISED BY THE MONETARY AUTHORITY OF SINGAPORE (THE "MAS") AND THE SHARES MAY NOT BE OFFERED TO THE RETAIL PUBLIC.

THIS MEMORANDUM AND ANY OTHER MATERIAL ISSUED IN CONNECTION WITH THE OFFER OR SALE OF THE SHARES IS NOT A PROSPECTUS AS DEFINED IN THE SFA. ACCORDINGLY, STATUTORY LIABILITY UNDER THE SFA IN RELATION TO THE CONTENT OF PROSPECTUSES WOULD NOT APPLY. INVESTORS SHOULD CONSIDER CAREFULLY WHETHER THE INVESTMENT IS SUITABLE FOR THEM.

THIS MEMORANDUM HAS NOT BEEN REGISTERED AS A PROSPECTUS WITH THE MAS. ACCORDINGLY, THIS MEMORANDUM AND ANY OTHER MATERIAL IN CONNECTION WITH THE OFFER OR SALE, OR INVITATION FOR SUBSCRIPTION OR PURCHASE, OF THE SHARES MAY NOT BE CIRCULATED OR DISTRIBUTED, NOR MAY THE SHARES BE OFFERED OR SOLD, OR BE MADE THE SUBJECT OF AN INVITATION FOR SUBSCRIPTION OR PURCHASE, WHETHER DIRECTLY OR INDIRECTLY, TO ANY PERSON IN SINGAPORE OTHER THAN (I) TO AN INSTITUTIONAL INVESTOR (AS DEFINED IN SECTION 4A OF THE SFA) PURSUANT TO SECTION 304 OF THE SFA, (II) TO AN ACCREDITED INVESTOR (AS DEFINED IN SECTION 4A OF THE SFA) OR OTHER RELEVANT PERSON (AS DEFINED IN SECTION 305(5) OF THE SFA) PURSUANT TO SECTION 305(1) OF THE SFA, OR ANY PERSON PURSUANT TO SECTION 305(2) OF THE SFA, AND IN ACCORDANCE WITH THE CONDITIONS SPECIFIED IN SECTION 305 OF THE SFA, OR (III) OTHERWISE PURSUANT TO, AND IN ACCORDANCE WITH THE CONDITIONS OF, ANY OTHER APPLICABLE PROVISION OF THE SFA.

WHERE THE SHARES ARE SUBSCRIBED FOR OR PURCHASED UNDER SECTION 305 OF THE SFA BY A RELEVANT PERSON WHICH IS:

(A) A CORPORATION (WHICH IS NOT AN ACCREDITED INVESTOR (AS DEFINED IN SECTION 4A OF THE SFA)) THE SOLE BUSINESS OF WHICH IS TO HOLD INVESTMENTS AND THE ENTIRE SHARE CAPITAL OF WHICH IS OWNED BY ONE OR MORE INDIVIDUALS, EACH OF WHOM IS AN ACCREDITED INVESTOR; OR

(B) A TRUST (WHERE THE TRUSTEE IS NOT AN ACCREDITED INVESTOR) WHOSE SOLE PURPOSE IS TO HOLD INVESTMENTS AND EACH BENEFICIARY OF THE TRUST IS AN INDIVIDUAL WHO IS AN ACCREDITED INVESTOR,

SECURITIES (AS DEFINED IN SECTION 2(1) OF THE SFA) OF THAT CORPORATION OR THE BENEFICIARIES' RIGHTS AND INTEREST (HOWSOEVER DESCRIBED) IN THAT TRUST SHALL NOT BE TRANSFERRED WITHIN SIX MONTHS AFTER THAT CORPORATION OR THAT TRUST HAS ACQUIRED THE SHARES PURSUANT TO AN OFFER MADE UNDER SECTION 305 OF THE SFA EXCEPT:

(I) TO AN INSTITUTIONAL INVESTOR OR TO A RELEVANT PERSON, OR TO ANY PERSON ARISING FROM AN OFFER REFERRED TO IN SECTION 305A(2)(C)(II) OR SECTION 305A(3)(C)(II) OF THE SFA;

(II) WHERE NO CONSIDERATION IS OR WILL BE GIVEN FOR THE TRANSFER;

(III) WHERE THE TRANSFER IS BY OPERATION OF LAW;

(IV) AS SPECIFIED IN SECTION 305A(5) OF THE SFA; OR

(V) AS SPECIFIED IN REGULATION 36A OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (COLLECTIVE INVESTMENT SCHEMES) REGULATIONS 2005 OF SINGAPORE.

INVESTORS ARE REQUIRED TO ENSURE THAT ANY OF THEIR OWN TRANSFER ARRANGEMENTS IN RELATION TO ANY SHARES COMPLY WITH THE ABOVE RESTRICTIONS AND SHOULD SEEK LEGAL ADVICE TO ENSURE COMPLIANCE WITH THE SAME.

FOR RESIDENTS OF SOUTH AFRICA ONLY

THIS MEMORANDUM IS STRICTLY PRIVATE AND CONFIDENTIAL AND DOES NOT CONSTITUTE AN OFFER TO THE PUBLIC IN TERMS OF SOUTH AFRICAN LAW. THIS MEMORANDUM IS BEING ISSUED TO A LIMITED NUMBER OF SOPHISTICATED INVESTORS, MAY NOT BE REPRODUCED OR USED FOR ANY OTHER PURPOSE, NOR PROVIDED TO ANY PERSON OTHER THAN THE ORIGINAL RECIPIENT THEREOF. THE SHARES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY.

FOR RESIDENTS OF SOUTH KOREA ONLY

THE FUND MAKES NO REPRESENTATION WITH RESPECT TO THE ELIGIBILITY OF ANY RECIPIENTS OF THIS MEMORANDUM TO ACQUIRE THE SHARES UNDER THE LAWS OF KOREA, INCLUDING, WITHOUT LIMITATION, THE FOREIGN EXCHANGE TRANSACTION LAW AND REGULATIONS THEREUNDER. THE SHARES HAVE NOT BEEN REGISTERED FOR PUBLIC OFFERING WITH THE FINANCIAL SERVICES COMMISSION OF KOREA (THE "FSC") IN KOREA UNDER THE FINANCIAL INVESTMENT SERVICES AND CAPITAL MARKETS ACT OF KOREA, AND THE SHARES MAY NOT BE OFFERED, SOLD OR DELIVERED, OR OFFERED OR SOLD TO ANY PERSON FOR REOFFERING OR RESALE, DIRECTLY OR INDIRECTLY, IN KOREA OR TO ANY RESIDENT OF KOREA EXCEPT PURSUANT TO APPLICABLE LAWS AND REGULATIONS OF KOREA. FURTHERMORE, THE SHARES MAY NOT BE RESOLD TO KOREAN RESIDENTS UNLESS THE PURCHASER OF THE SHARES COMPLIES WITH ALL APPLICABLE REGULATORY REQUIREMENTS (INCLUDING, WITHOUT LIMITATION, GOVERNMENTAL APPROVAL REQUIREMENTS UNDER THE FOREIGN EXCHANGE TRANSACTION LAW AND ITS SUBORDINATE DECREES AND REGULATIONS) IN CONNECTION WITH THE PURCHASE OF THE SHARES.

FOR RESIDENTS OF SWITZERLAND ONLY

THIS MEMORANDUM IS ONLY BEING MADE AVAILABLE TO "QUALIFIED INVESTORS" IN SWITZERLAND AS DEFINED IN THE SWISS COLLECTIVE INVESTMENT SCHEMES ACT OF 23 JUNE 2006 AS AMENDED, AND TO "INSTITUTIONAL" AND "PROFESSIONAL CLIENTS" AS UNDER THE SWISS FINANCIAL SERVICES ACT ("FINSA") AND THEIR IMPLEMENTING ORDINANCES. NO MARKETING MATERIALS RELATING TO THE FUND HAVE BEEN OR WILL BE FILED WITH, REGISTERED OR APPROVED BY ANY SWISS REGULATORY AUTHORITY AND THE FUND IS NOT APPROVED BY THE SWISS FINANCIAL MARKET SUPERVISORY AUTHORITY FINMA FOR OFFERING IN SWITZERLAND TO NON-QUALIFIED INVESTORS.

THE OFFERING OF THE FUND INTO SWITZERLAND IS EXEMPT FROM THE PROSPECTUS REQUIREMENT UNDER THE FINSA. NO PROSPECTUS PURSUANT TO THE FINSA HAS BEEN OR WILL BE PREPARED FOR OR IN CONNECTION WITH THE OFFERING OF THE FUND.

THIS MEMORANDUM AND ITS CONTENTS ARE CONSIDERED AS "ADVERTISING" ACCORDING TO THE SWISS FEDERAL ACT ON FINANCIAL SERVICES OF 15 JUNE 2018. INVESTORS SHOULD NOT MAKE ANY INVESTMENT DECISION WITHOUT HAVING RECEIVED THE COMPLETE FUND DOCUMENTATION.

SWISS REPRESENTATIVE: MONT-FORT FUNDS AG, 63 CHEMIN PLAN-PRA, 1936 VERBIER, SWITZERLAND.

SWISS PAYING AGENT: BANQUE CANTONALE DE GENÈVE, 17, QUAI DE L'ILE, 1204 GENEVA, SWITZERLAND.

PLACE OF PERFORMANCE AND JURISDICTION: THE PLACE OF PERFORMANCE FOR UNITS OF THE FOREIGN COLLECTIVE INVESTMENT SCHEMES OFFERED IN SWITZERLAND IS THE REGISTERED OFFICE OF THE REPRESENTATIVE. THE PLACE OF JURISDICTION IS THE REGISTERED OFFICE OF THE REPRESENTATIVE OR THE REGISTERED OFFICE OR PLACE OF RESIDENCE OF THE INVESTOR.

FOR RESIDENTS OF TAIWAN ONLY

THIS MEMORANDUM HAS BEEN PREPARED FOR PRIVATE INFORMATION FOR INVESTORS ONLY. IT HAS NOT BEEN AND WILL NOT BE REVIEWED, APPROVED BY, OR REGISTERED WITH THE FINANCIAL SUPERVISORY COMMISSION OR ANY OTHER REGULATORY AUTHORITIES IN TAIWAN. THE SHARES HAVE NOT BEEN AND WILL NOT BE REGISTERED OR APPROVED UNDER APPLICABLE LAWS OR REGULATIONS OF TAIWAN RELATING TO PUBLIC OFFERINGS OR PRIVATE PLACEMENT IN THE TERRITORY OF TAIWAN. THUS, THE SHARES CANNOT BE OFFERED, DISTRIBUTED OR RESOLD IN THE TERRITORY OF TAIWAN.

THIS MEMORANDUM AND ANY OTHER DOCUMENTS OR MATERIALS IN CONNECTION WITH THE OFFERING, SALE, OR INVITATION FOR SUBSCRIPTION OR PURCHASE OF THE SHARES MAY NOT BE CIRCULATED OR DISTRIBUTED PUBLICLY TO INVESTORS IN THE TERRITORY OF TAIWAN, NOR MAY IT BE USED FOR, OR OTHERWISE BE DEEMED, AN OFFERING, SOLICITATION, MARKETING OR ADVERTISEMENT OF THE SHARES TO THE INVESTORS IN THE TERRITORY OF TAIWAN.

INVESTORS SHALL CONSULT WITH THEIR OWN LEGAL, TAX, FINANCIAL AND OTHER INDEPENDENT CONSULTANTS TO MAKE THEIR INVESTMENT DECISIONS. INVESTORS SHALL REVIEW AND UNDERSTAND THE FINANCIAL INFORMATION, THE OFFERING MEMORANDUM AND ALL OTHER RELEVANT DOCUMENTS (PREPARED IN ENGLISH OR OTHERWISE) PRIOR TO SUBSCRIPTION. INVESTORS ACKNOWLEDGE THAT THE SHARES ARE NOT SUITABLE FOR INVESTORS WHO CANNOT BEAR RELEVANT RISKS, AND INVESTORS SHALL REVIEW THE RISK PROFILES BEFORE SUBSCRIBING TO THE SHARES.

FOR RESIDENTS OF THAILAND ONLY

THIS MEMORANDUM HAS NOT BEEN, AND WILL NOT BE, FILED WITH OR APPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OF THAILAND OR ANY OTHER

REGULATORY AUTHORITY IN THAILAND. THE ENTITY OFFERING THE SHARES IN THAILAND DOES NOT MAINTAIN ANY LICENSES, AUTHORIZATIONS OR REGISTRATIONS IN THAILAND. THE SHARES HAVE NOT BEEN AND WILL NOT BE OFFERED TO ANY MEMBER OF THE PUBLIC IN THAILAND OTHER THAN TO "INSTITUTIONAL INVESTORS" AS DEFINED UNDER THE NOTIFICATION OF THE SECURITIES AND EXCHANGE COMMISSION NO. GOR. NOR. 43/2549. ANY OFFERING OF THE SHARES TO PROSPECTIVE INSTITUTIONAL INVESTORS WILL BE MADE EXCLUSIVELY ON A DIRECT OFFERING AND PRIVATE PLACEMENT BASIS. THIS MEMORANDUM HAS BEEN PROVIDED AT THE REQUEST OF ITS RECIPIENT FOR INFORMATION PURPOSES ONLY AND MUST NOT BE COPIED OR REDISTRIBUTED TO ANY OTHER PERSON WITHOUT THE PRIOR CONSENT OF THE FUND, AND IN NO WAY CONSTITUTES AN OFFER, SOLICITATION, ADVERTISEMENT OR ADVICE OF, OR IN RELATION TO, THE SHARES IN THAILAND.

FOR RESIDENTS OF TURKEY ONLY

NEITHER THIS MEMORANDUM NOR THE OFFERING OF THE SHARES CONSTITUTES AN OFFER TO SELL OR A SOLICITATION OF AN OFFER TO BUY ANY SHARES IN THE REPUBLIC OF TURKEY. ANY PERSON WHO IS IN POSSESSION OF THIS MEMORANDUM UNDERSTANDS THAT NO ACTION HAS BEEN OR WILL BE TAKEN WHICH WOULD ALLOW AN OFFERING OF THE SHARES TO THE PUBLIC. THE SHARES HAVE NOT BEEN NOR SHALL THEY BE REGISTERED WITH *SERMAYE PIYASASI KURULU* (CAPITAL MARKETS BOARD OF TURKEY). PROSPECTIVE INVESTORS SHOULD SEEK LEGAL ADVICE AS TO WHETHER THEY ARE ENTITLED TO SUBSCRIBE FOR SHARES AND MUST COMPLY WITH ALL RELEVANT TURKISH LEGISLATION IN THIS RESPECT. THIS MEMORANDUM IS PROVIDED IN RESPONSE TO YOUR SPECIFIC REQUEST AND IS NOT INTENDED TO BE COPIED, OR VIEWED BY, DISTRIBUTED OR PASSED ON (DIRECTLY OR INDIRECTLY) TO ANY OTHER PERSON, EXCEPT TO YOUR ADVISORS WITH RESPECT TO THE SHARES AND FOR THAT PURPOSE ONLY.

FOR RESIDENTS OF THE UNITED ARAB EMIRATES ONLY

THIS MEMORANDUM RELATES TO A FUND WHICH IS NOT SUBJECT TO ANY FORM OF REGULATION OR APPROVAL BY THE DUBAI FINANCIAL SERVICES AUTHORITY ("DFSA"). THIS MEMORANDUM IS INTENDED FOR DISTRIBUTION ONLY TO PERSONS MEETING THE CRITERIA OF A "PROFESSIONAL CLIENT" IN ACCORDANCE WITH THE DFSA'S RULES AND MUST NOT, THEREFORE, BE DELIVERED TO, OR RELIED ON BY, ANY OTHER PERSON. THE DFSA HAS NO RESPONSIBILITY FOR REVIEWING OR VERIFYING ANY MEMORANDUM OR OTHER DOCUMENTS IN CONNECTION WITH THIS FUND. ACCORDINGLY, THE DFSA HAS NOT APPROVED THIS MEMORANDUM OR ANY OTHER ASSOCIATED DOCUMENTS NOR TAKEN ANY STEPS TO VERIFY THE INFORMATION SET OUT IN THIS MEMORANDUM, AND HAS NO RESPONSIBILITY FOR IT. THE SHARES TO WHICH THIS MEMORANDUM RELATES MAY BE ILLIQUID AND/OR SUBJECT TO RESTRICTIONS ON THEIR RESALE. PROSPECTIVE PURCHASERS SHOULD CONDUCT THEIR OWN DUE DILIGENCE ON THE SHARES. IF YOU DO NOT UNDERSTAND THE CONTENTS OF THIS MEMORANDUM YOU SHOULD CONSULT AN AUTHORISED FINANCIAL ADVISOR.

FOR RESIDENTS OF URUGUAY ONLY

THE OFFERING OF THE SHARES QUALIFIES AS A PRIVATE PLACEMENT PURSUANT TO SECTION 2 OF URUGUAYAN LAW 18,627. THE SHARES WILL NOT BE OFFERED OR SOLD TO THE PUBLIC IN URUGUAY, EXCEPT IN CIRCUMSTANCES WHICH DO NOT CONSTITUTE A PUBLIC OFFERING OR DISTRIBUTION UNDER URUGUAYAN LAWS AND REGULATIONS. NEITHER THE FUND NOR THE SHARES ARE OR WILL BE REGISTERED WITH LA SUPERINTENDENCIA DE SERVICIOS FINANCIEROS DEL BANCO CENTRAL DEL URUGUAY. THE FUND CORRESPONDS TO AN INVESTMENT FUND THAT IS NOT AN INVESTMENT FUND REGULATED BY URUGUAYAN LAW 16,774 DATED SEPTEMBER 27, 1996, AS AMENDED.

FOR RESIDENTS OF VENEZUELA ONLY

THE SHARES MAY NOT BE PUBLICLY OFFERED IN VENEZUELA, UNLESS PREVIOUSLY AUTHORISED BY *SUPERINTENDENCIA NACIONAL DE VALORES* IN VENEZUELA. PRIVATE AND PUBLIC OFFERS OF THE SHARES IN VENEZUELA ARE SUBJECT TO CAPITAL MARKETS AND EXCHANGE CONTROL REGULATIONS IN EFFECT IN VENEZUELA. ACCORDINGLY, THIS MEMORANDUM HAS NOT BEEN, AND WILL NOT BE, REGISTERED WITH THE *SUPERINTENDENCIA NACIONAL DE VALORES* IN VENEZUELA. THIS MEMORANDUM IS STRICTLY CONFIDENTIAL AND IS INTENDED SOLELY FOR THE PERSON TO WHOM IT IS ADDRESSED AND IS BEING SUPPLIED ONLY TO THOSE INVESTORS WHO HAVE EXPRESSLY REQUESTED IT. THIS MEMORANDUM MAY NOT BE REPRODUCED, IN WHOLE OR IN PART, OR DISTRIBUTED TO ANY PERSON OR ENTITY OTHER THAN THE ORIGINAL RECIPIENT IN VENEZUELA.

APPENDIX 2
ALTERNATIVE INVESTMENT FUND MANAGERS DIRECTIVE AND SUSTAINABLE FINANCE DISCLOSURE REGULATION[17]

As the AIFM is authorised by the Central Bank of Ireland as an alternative investment fund manager, it will be required to manage the Fund and the Sub-Fund in accordance with the AIFMD and disclose certain prescribed information in this Memorandum. The following table indicates where the required information is located within this Memorandum.

Information to be disclosed	AIFMD relevant article	Section where disclosed in Memorandum
General Fund Information		
Investment strategy and objectives of the AIF	Art 23(1)(a)	Section II: Investment Information Section XII: Risk Factors
Information on where master AIF is established and where the underlying funds are established	Art 23(1)(a)	Section I: Summary of Principal Terms — The Fund
Types of assets in which the AIF may invest and the techniques it may employ and all associated risks	Art 23(1)(a)	Section II: Investment Information Section XII: Risk Factors
Applicable investment restrictions	Art 23(1)(a)	Section II: Investment Information
Circumstances in which the AIF may use leverage, restrictions on using leverage, the types and sources of leverage permitted and the associated risks	Art 23(1)(a)	Section I: Summary of Principal Terms — Leverage Section II: Investment Information — Leverage; — Leverage for AIFMD Purposes Section XII: Risk Factors
Maximum level of leverage which the AIFM is entitled to employ on behalf of the AIF	Art 23(1)(a)	Section I: Summary of Principal Terms — Leverage Section II: Investment Information — Leverage; — Leverage for AIFMD Purposes
Any collateral and asset reuse arrangements of the AIF	Art 23(1)(a)	Section VIII: Fees and Expenses, Accounting; Reporting; Shareholder Matters Section XII: Risk Factors — Collateral Risk; — Securities Financing Transactions Regulation Disclosure
Procedures by which the AIF may change its investment strategy or investment policy, or both	Art 23(1)(b)	Section XI: Management and Administration of the Fund — Amendments to the Memorandum

[17] Please note that this is draft language. The manner in which the Fund and/or KIT promote environmental and social characteristics will be confirmed in the final version of this Memorandum.

Information to be disclosed	AIFMD relevant article	Section where disclosed in Memorandum
Description of the main legal implications of the contractual relationship entered into for the purpose of investment	Art 23(1)(c)	Section X: Regulatory and Tax Considerations — Certain Luxembourg Law Considerations
Identity of the AIFM, the AIF's depositary, auditor and any other service providers and description of their duties and the investors' rights	Art 23(1)(d)	Section I: Summary of Principal Terms — AIFM; — Investment Manager; — Independent Auditor Section X: Regulatory and Tax Considerations — Certain Luxembourg Law Considerations — Structure of the Fund Section XI: Management and Administration of the Fund — AIFM; — Central Administration Agent; — Domiciliation Agent; — Depositary and Paying Agent; — External Auditors Appendix 2: Alternative Investment Fund Managers Directive and Sustainable Finance Disclosure Regulation — The Depositary
Description of how the AIFM is protected against potential professional liability risks	Art 23(1)(e)	Section XI: Management and Administration of the Fund — Indemnification
Description of any delegated management functions by the AIFM and of any safekeeping function delegated by the depositary, identity of the delegate and description of conflicts of interest	Art 23(1)(f)	Section I: Summary of Principal Terms — AIFM; — Investment Manager Section XI: Management and Administration of the Fund — AIFM; — Investment Manager; — Depositary and Paying Agent; — External Auditors Section XIII: Potential Conflicts of Interest Appendix 2: Alternative Investment Fund Managers Directive and Sustainable Finance Disclosure

Information to be disclosed	AIFMD relevant article	Section where disclosed in Memorandum
		Regulation — The Depositary
Description of the AIF's valuation procedure	Art 23(1)(g)	Section VII: Determination of Net Asset Value
Description of the AIF's liquidity risk management	Art 23(1)(h)	Section V. Redemptions Section XI: Management and Administration of the Fund — AIFM Section XII: Risk Factors
Description of all fees, charges and expenses and of the maximum amounts thereof which are directly or indirectly borne by investors	Art 23(1)(i)	Section I: Summary of Principal Terms — Management Fees; — Incentive Fees; — Subscription Fees; — Servicing Fee Section VIII: Fees and Expenses; Accounting; Reporting; Shareholder Matters — Management Fee; — AIFM Expenses; — Incentive Fees; — Subscription Fees; — Servicing Fee; — Other Fees; — Formation Costs; — Sub-Fund Expenses Section XII: Risk Factors Section XIII: Potential Conflicts of Interest
Description of how the AIFM ensures fair treatment of investors and a description of any preferential treatment or the right to obtain preferential treatment obtained by any investor	Art 23(1)(j)	Section III. Share Class Information — Share Capital and Shares, Share Classes of KIT: Other Sub-Funds, Other Classes; Series Section VIII: Fees and Expenses; Accounting; Reporting; Shareholder Matters Section XI: Management and Administration of the Fund — AIFM Section XIII Potential Conflicts of Interest — Preferential Terms Applicable to Other KKR Funds and Co-Investors, Affiliated Shareholders
Latest annual report	Art 23(1)(k)	Section VIII: Fees and Expenses; Accounting; Reporting; Shareholder

Information to be disclosed	AIFMD relevant article	Section where disclosed in Memorandum
		Matters — Reports and Financial Statements
Procedure and conditions for the issue and sale of Shares	Art 23(1)(l)	Section I: Summary of Principal Terms — Subscriptions; — Distributions; — Redemptions Section IV: Subscriptions Section V: Redemptions Section III: Share Class Information — Distributions Section VI: Determination of Net Asset Value
Latest net asset value of the AIF	Art 23(1)(m)	Section VII: Determination of Net Asset Value
Historical performance of the AIF, where available	Art 23(1)(n)	Section VIII: Fees and Expenses; Accounting; Reporting; Shareholder Matters — Reports and Financial Statements — Sub-Fund Performance
Identity of the prime broker and a description of any material arrangements of the AIF with its prime brokers and the way the conflicts of interest in relation thereto are managed	Art 23(1)(o)	N/A
Description of how any changes to liquidity or leverage provisions of the AIF will be disclosed to investors	Art 23(1)(p)	Section VIII: Fees and Expenses; Accounting; Reporting; Shareholder Matters — Reports and Financial Statements
Conflicts of interest		
Conflicts of interest of the AIFM	Art 12(1)(d), Art 14(2)	Section XIII: Potential Conflicts of Interest
Net asset value		
The net asset value per unit or share of the AIF	Art 19(3)	Section VII: Determination of Net Asset Value
Depositary		

Information to be disclosed	AIFMD relevant article	Section where disclosed in Memorandum
Any arrangement made by the depositary to contractually discharge itself of liability and any changes with respect to depositary liability	Art 23(2)	Appendix 2: Alternative Investment Fund Managers Directive and Sustainable Finance Disclosure Regulation — The Depositary
Delegation of functions of the depositary	Art 21(11)	Section XI: Management and Administration of the Fund — Depositary and Paying Agent Appendix 2: Alternative Investment Fund Managers Directive and Sustainable Finance Disclosure Regulation — The Depositary
Discharge of liability of the depositary for loss by a third party to whom custody of financial instruments has been delegated	Art 21(14)(b)	Appendix 2: Alternative Investment Fund Managers Directive and Sustainable Finance Disclosure Regulation — The Depositary
Provision in the contract with the depositary on the possibility of transfer and re-use of AIF assets	Art 23(1)(o)	Section XII: Risk Factors Appendix 2: Alternative Investment Fund Managers Directive and Sustainable Finance Disclosure Regulation — The Depositary
Information about any transfer of liability to the prime broker that may exist	Art 23(1)(o)	N/A

The Depositary

Description of the Depositary's Duties

The Bank of New York Mellon SA/NV, Luxembourg Branch is expected to be appointed as the Depositary of the assets of the Fund pursuant to the Depositary Agreement. The following provides a summary of the terms of the Depositary Agreement that the General Partner expects to enter into on behalf of the Fund in connection with the closing held on the Initial Subscription Day. To the extent the terms of the Depositary Agreement are revised prior to Initial Subscription Day, the General Partner will provide an update of the description below in a supplement to this Memorandum to be issued prior to the Initial Subscription Day.

The Depositary is responsible for the safe-keeping of all of the assets of the Fund. The Depositary must exercise due care and diligence in the discharge of its duties and shall be liable to the Fund, the Shareholders and the General Partner for the loss by the Depositary or its delegate of financial instruments held in custody within the meaning of the AIFMD ("**Financial Instruments Held in Custody**") and for all other losses suffered by the Fund, the Shareholders and the General Partner as a direct result of the Depositary's fraud, negligence, intentional failure or wilful misconduct, or failure to exercise reasonable care in properly fulfilling its obligations under the Depositary Agreement. Subject to applicable law, liability for indirect and/or consequential damages is excluded under the Depositary Agreement. Subject to the provisions of the Depositary Agreement relating to contractual discharge of liability, the liability of the Depositary will not be affected by any delegation of its functions under the Depositary Agreement. The Depositary is not liable for damages to the extent to which any failure by the Depositary to satisfy its obligations under the Depositary Agreement has been directly caused or materially contributed to by a failure of the Fund, the AIFM or any third party (other than a sub-custodian, delegate or other agent of the Depositary) to fulfil its obligations under or in relation to the

Depositary Agreement or any other act or omission of the Fund or the AIFM. None of the parties will be deemed to be in breach of the Depositary Agreement or otherwise be liable to the other(s), if prevented, hindered from or delayed in performing any and/or all of its obligations under the Depositary Agreement by any force majeure event.

The Depositary Agreement provides that the Fund shall indemnify and hold harmless the Depositary and its employees, officers and directors from any and all properly incurred costs, liabilities and expenses resulting directly or indirectly from the fact that the Depositary or administrative officers appointed by the Fund and selected among the staff of the Depositary have acted as agent of the Fund in accordance with authorised instructions, except in the case of fraud, negligence, intentional failure or wilful misconduct by such persons, or the failure of such persons to exercise reasonable care in the performance of the services under the Depositary Agreement or in case such indemnification would be contrary to mandatory provisions of applicable law.

The Depositary Agreement is entered into for an unlimited period of time. The Depositary, the AIFM and the Fund may terminate the Depositary Agreement by giving to the other parties a notice in writing specifying the date of such termination which shall not be less than ninety (90) days after the date of giving such notice. As permitted by applicable law, the Depositary Agreement may further be terminated by any party immediately by notice in writing to the other parties if at any time: (i) another party becomes subject to bankruptcy, insolvency or similar procedures; (ii) another party ceases to be licensed for its activity under the Depositary Agreement or loses approval by applicable government or regulatory authorities that are required for its activities; or (iii) another party materially defaults on its obligations under the Depositary Agreement and such default is not remedied though objectively possible within ten (10) business days upon notice from one of the other parties; and (iv) in all other cases where the Depositary Agreement makes reference to a termination with cause.

The Depositary Agreement sets out that the Depositary must not reuse the assets of the Fund without the prior express and specific consent of the Fund and, to the extent practicable, the Depositary will notify the AIFM of such reuse.

Please see Section XII of this Memorandum, "*Risk Factors — Depositary Risks*" for a description of certain risks related to the appointment of the Depositary.

Details of Delegation Arrangements

The Depositary may delegate the safekeeping functions of the Fund, subject to the following conditions: (i) the tasks are not delegated with the intention of avoiding the requirements of the AIFMD; (ii) the Depositary can demonstrate that there is an objective reason for the delegation; (iii) the Depositary has exercised all due skill, care and diligence in the selection and the appointment of any third party to whom it wants to delegate parts of its tasks, and keeps exercising all due skill, care and diligence in the periodic review and on-going monitoring of any third party to whom it has delegated parts of its tasks and of the arrangements of the third party in respect of the matters delegated to it; and (iv) the Depositary ensures that any third party meets the following conditions at all times during the performance of the tasks delegated to it: (a) the third party has the structures and the expertise that are adequate and proportionate to the nature and complexity of the assets of the Fund which have been entrusted to it; (b) for custody tasks referred to in point (a) of paragraph 8 of Article 21 of the AIFMD, the third party is subject to effective prudential regulation, including minimum capital requirements, and supervision in the jurisdiction concerned, and is subject to an external periodic audit to ensure that the financial instruments are in its possession; (c) the third party segregates the assets of the Depositary's clients from its own assets and from the assets of the Depositary in such a way that they can at any time be clearly identified as belonging to clients of a particular depositary; (d) the third party does not make use of the assets without the prior consent of the Fund or the AIFM on behalf of the Fund and prior notification to the Depositary; and (e) the third party, more generally, complies with all the duties and obligations the Depositary would have to comply with, had the Depositary not delegated the relevant matter.

The Depositary may delegate the safekeeping functions of the Fund to, amongst others, direct or indirect subsidiaries of The Bank of New York Mellon Corporation. Further details in relation to the appointment of sub-custodians by the Depositary are available from the Depositary upon request. *Please see* "*— Conflicts of Interest*" below for a description of certain conflicts of interest that may arise from such delegation.

Disclosure of any Arrangement to Contractually Discharge Liability

The Depositary, having satisfied all relevant requirements of applicable law, is discharged from its liability for a loss if (i) the relevant financial instrument is held by a sub-custodian appointed in

conformity with the requirements of the 2013 Law, and (ii) if the contract between the Depositary and the sub-custodian expressly transfers the liability for a loss to the sub-custodian and makes it possible for the Sub-Fund to make a claim against the sub-custodian in respect of the loss or for the Depositary to make a claim on their behalf as laid down in the 2013 Law, and

i. if such discharge relates to an objective reason, in accordance with the meaning given to such terms in the 2013 Law, and if there is a specific written agreement between the Depositary and the Fund, that expressly allows such a discharge for the particular objective reason to be defined from time to time, and

ii. where the law of a third country requires that the relevant financial instrument are held in custody by a local sub-custodian and there are no local sub-custodians that satisfy the delegation requirements laid down in AIFMD, *provided that* (i) the Documents expressly permits such discharge, (ii) the Shareholders have been duly informed of that discharge and of the circumstances justifying the discharge prior to their investment, and (iii) the AIFM has instructed the Depositary to delegate the custody of such Financial Instrument to that sub-custodian.

Conflicts of Interest

From time to time conflicts may arise between the Depositary and its delegates, including for example and without limitation, where an appointed delegate is an affiliated group company and is providing a product or service to the Fund and has a financial or business interest in such product or service or where an appointed delegate is an affiliated group company which receives remuneration for other related custodial products or services it provides to the Fund. The Depositary shall not carry out activities with regard to the Fund or the AIFM on behalf of the Sub-Fund that may create conflicts of interest between the Fund, the Shareholders, the AIFM and itself unless the Depositary has functionally and hierarchically separated the performance of the depositary tasks from its other potentially conflicting tasks, and the potential conflicts of interest are properly identified, managed, monitored and disclosed to the Shareholders.

Alternative Investment Fund Managers Directive and Regulation on Sustainability-Related Disclosures in the Financial Services Sector

In accordance with the Regulation (EU) 2019/2088 of the European Parliament and of the Council on sustainability-related disclosures in the financial services sector (the "SFDR"), the AIFM is required to provide transparency on how it integrates sustainability risks into the investment process. Sustainability risks, as defined under the SFDR, are environmental, social and governance events or conditions whose occurrence could have an actual or potential material negative impact on the value of an investment.

The AIFM does not currently consider the "adverse impacts of investment decisions on sustainability factors" (the "**Principal Adverse Impacts**") under the SFDR with respect to all its investment strategies and has published a statement on "No consideration of sustainability adverse impacts" in accordance with the SFDR — see https://www.kkr.com/eu-sustainable-finance-disclosure-regulation. This is because it is not, in its view, currently in a position to obtain and/or measure all the data that it would be required by the SFDR to report, or to do so systematically, consistently and at a reasonable cost with respect to all its investment strategies to clients and investors. This is in part because underlying investments are not widely required to, and may not currently, report by reference to the same data.

The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

The Fund neither promotes environmental or social characteristics in accordance with Article 8 of the SFDR nor has sustainable investment as its objective in accordance with Article 9 of the SFDR. Hence, the AIFM does not intend to comply with the periodic reporting requirements under Article 11 of the SFDR.

The following table indicates where the required information is located within this Memorandum.

Information to be disclosed	SFDR relevant article	Section where disclosed in Memorandum
The manner in which sustainability risks are integrated into the AIFM's investment decisions and results of the assessment of the likely impacts of sustainability risks on the returns of the AIF	Article 6(1) and (3) SFDR	Section XI: Management and Administration of the Fund – ESG and KKR Private Credit Section XII: Risk Factors – ESG and Sustainability Risk Section XIII: Potential Conflicts of Interests Appendix 2: Alternative Investment Fund Managers Directive and Sustainable Finance Disclosure Regulation – SFDR Disclosures

SFDR DISCLOSURES

Integration of Sustainability Risks in Investment Decisions

KKR maintains that the thoughtful management of environmental, social, and governance ("**ESG**"), regulatory, and geopolitical issues is an essential part of long-term business success in a rapidly changing world, and incorporating such business-relevant issues as part of our investment process helps us both create and protect value.

We believe geopolitics, supply chain concerns, scarce resources, changing consumer and customer demands, evolving norms, competition for workers and customers, increased regulation, and other similar issues are expected to pose greater challenges and opportunities for companies around the world. KKR seeks to reduce risk and enhance value by building a proactive focus on these issues across the investment life cycle, wherever possible.

KKR will assess Sustainability Risks on an investment-by-investment basis. We believe that our integration of Sustainability Risks in investment decisions should help mitigate the potential material negative impact of Sustainability Risks on the returns of the Fund. However, there can be no assurance that all such risks will be identified in advance or will be mitigated in whole or in part. The Fund may be exposed to Sustainability Risks as described in the sub-section "*ESG and Sustainability Risk*" above.

Where KKR maintains control of a company, it seeks to work with the company to appropriately integrate and monitor progress on material ESG issues into business processes. In cases where KKR determines it has limited ability to conduct diligence or to influence and control the integration of material ESG issues in an investment, KKR will seek to incorporate the applicable elements of its Responsible Investment Policy, where practicable and appropriate. Examples of such cases include where KKR is a lender with no indicia of influence or control, is a minority shareholder, has limited governance rights, or where other circumstances affect KKR's ability to assess, set, or monitor material ESG issues.

"Material" ESG issues are defined as those issues that KKR in its sole discretion determines have – or have the potential to have – a substantial impact on an organization's ability to create, or preserve economic value. As one input to assessing what is a material ESG issue for each investment, KKR utilizes the industry-specific issue topics identified by the Sustainability Accounting Standards Board ("**SASB**") standards. SASB standards assist KKR in identifying, managing and communicating financially material sustainability information that is relevant for the type of investment. For instance, for an IT services company, KKR may assess energy management, customer privacy, data security, employee engagement, diversity and inclusion, competitive behaviour and systemic risk management. For a waste management business, KKR may assess greenhouse gas emissions, air quality, waste and hazardous materials management, labour practices, employee health and safety and business model resilience. SASB also provides an "Engagement Guide" for each industry sector, to identify relevant ESG-related due diligence questions for the sector.

Roles and Responsibilities
Accountability for KKR's responsible investing efforts extends throughout the organization with ultimate oversight by KKR's senior leadership and the board of directors of KKR & Co. Inc. Global and regional team members are supported by subject matter experts collaborating to achieve strong outcomes.

KKR's investment teams are responsible for identifying, assessing, and managing ESG-related risks and opportunities throughout the investment process. They work closely with dedicated sustainable investing subject-matter experts who are the core of KKR's sustainability expertise and who are deeply integrated across teams to act as a resource to KKR, its investment professionals and its portfolio companies. KKR's Global Head of Public Affairs, who is a member of our Operating Committee and Risk and Operations Committee and Co-Head of KKR Global Impact, in partnership with KKR leadership, has responsibility for KKR's global responsible investment strategy.

Where applicable, Investment Committees oversee ESG issues that are material to an investment when making a decision to invest. Post-investment, Portfolio Management Committees and investment professionals have monitoring and management roles with respect to any such issues that have been identified in the investment process and have been determined to be material.

In 2021, KKR established an ESG Committee, which includes senior executives from across the firm, and is tasked with helping to advance a globally coordinated approach to responsible investment.

Transparency and Stakeholder Engagement
KKR strives to be transparent in its approach to responsible investment by reporting at least annually on its progress and outcomes. The format of this reporting may include written public reports, informal verbal updates, or confidential fund- or asset-level reports to KKR fund investors.

KKR considers relevant industry guidelines for responsible investment and engages with various stakeholders through its membership in industry associations. In 2009, KKR became a signatory to the globally recognised voluntary framework of the Principles for Responsible Investment (PRI). More information on KKR's approach to stakeholder engagement and work with industry organizations is available through its public disclosures on kkr.com.

ESG Integration Processes
While some differences in application exist between asset classes due to the nature of the investments, the table below describes KKR's general approach to diligence and portfolio company engagement across the relevant businesses and/or asset classes, such as Credit, Private Equity (including "impact" investments), Real Estate, Infrastructure and Energy.

PRE-INVESTMENT			**POST-INVESTMENT**	
1. Evaluate Potential "Gating Issues"	**2. Begin Diligence on Company-Specific Relevant Issues**	**3. Document and Review Findings**	**4. Portfolio Management**	**5. Documentation and Monitoring**
When: Pre-Screening	**When:** Commercial, Legal and Compliance Diligence	**When:** Investment Committee Evaluation	**When:** Post-Investment	
What: • Review	**What:** • Evaluate	**What:** • Highlight risks	**What:** • Monitor ESG	**What:** • Record

"Gating Issues"[18] to seek to identify any critical ESG or other concerns • Coordinate with Global Public Affairs or other subject-matter experts, where relevant	industry- or asset-specific ESG risks • Consider engagement opportunities with issuer/target to drive value	and value-creation opportunities in Investment Committee discussions and memorandums • Track relevant findings	considerations regularly • Engage with companies, where possible, on value creation and risk mitigation efforts, where relevant	findings in internal reporting systems, when applicable • Track progress and potential risks
How: Across asset classes and investments there are differences in the level of access to management at, and information from, the target company, as well as differences in the diligence timeline and other aspects of the investing process. Therefore, across classes and in some cases, within an asset class, KKR may take different approaches, aligned with this policy, with regard to: use of external consultants, reliance on or use of third-party data, documentation of diligence outcomes, post-investment engagement/monitoring, and other matters. KKR tailors its approach according to what it believes to be most suitable and practicable under the circumstances, taking into account factors such as: the nature of the investment, the existence and nature of any governance rights, our level of influence, and other relevant factors.				

At the outset, before significant commercial due diligence, the relevant deal team will review KKR's "Gating Issues" list to consider if a target business or investment involves any critical ESG, geopolitical or reputational concerns. Gating issues include businesses in which KKR is not likely to invest (such as activities relating to private prisons or tobacco), business areas for which early scrutiny is required before significant commercial due diligence (such as a consumer base with a potentially vulnerable population (e.g. children or the elderly)), and additional situations that merit enhanced early diligence (such as companies operating under sanctions regimes or with impacts on critical habitats or indigenous peoples). In some cases, these issues can be managed by additional enhanced early due diligence and the investment can proceed. In other instances, KKR may decide not to invest. KKR will carry out additional diligence on company specific material issues during the commercial due diligence stage. Material issues are tracked and managed over time as part of the portfolio management process.

KKR's responsible investment efforts are based on a materiality-driven approach during diligence and engagement, thereby allowing each company, as well as KKR, to focus on business-relevant topics that KKR and the company determine are most significant for protecting and maximizing the company's value.

For the past 15 years, we have focused on supporting our portfolio companies' efforts in managing their material ESG topics and engaging with companies on a diverse set of issues. Building on these learnings, KKR identified four key objectives for its majority-owned portfolio companies across a wide variety of industries, sectors, and geographies that it believes can help them mitigate risk and capture value creation opportunities, including: managing material ESG topics and adopting a governance framework; engaging human capital; managing climate risks and opportunities; and protecting data privacy and cybersecurity. For more information about KKR's efforts, portfolio company engagement, and KKR's value creation resources, visit our website at www.kkr.com.

[18] The "Gating Issues" list is periodically updated to include activities, operations, or industries that raise critical ESG, geopolitical or reputational risks. If a potential investment is directly or indirectly involved in such activities, KKR's investment teams will work with the Global Public Affairs team to evaluate the best path forward, which may include declining to invest based on the implications for business value over time.

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