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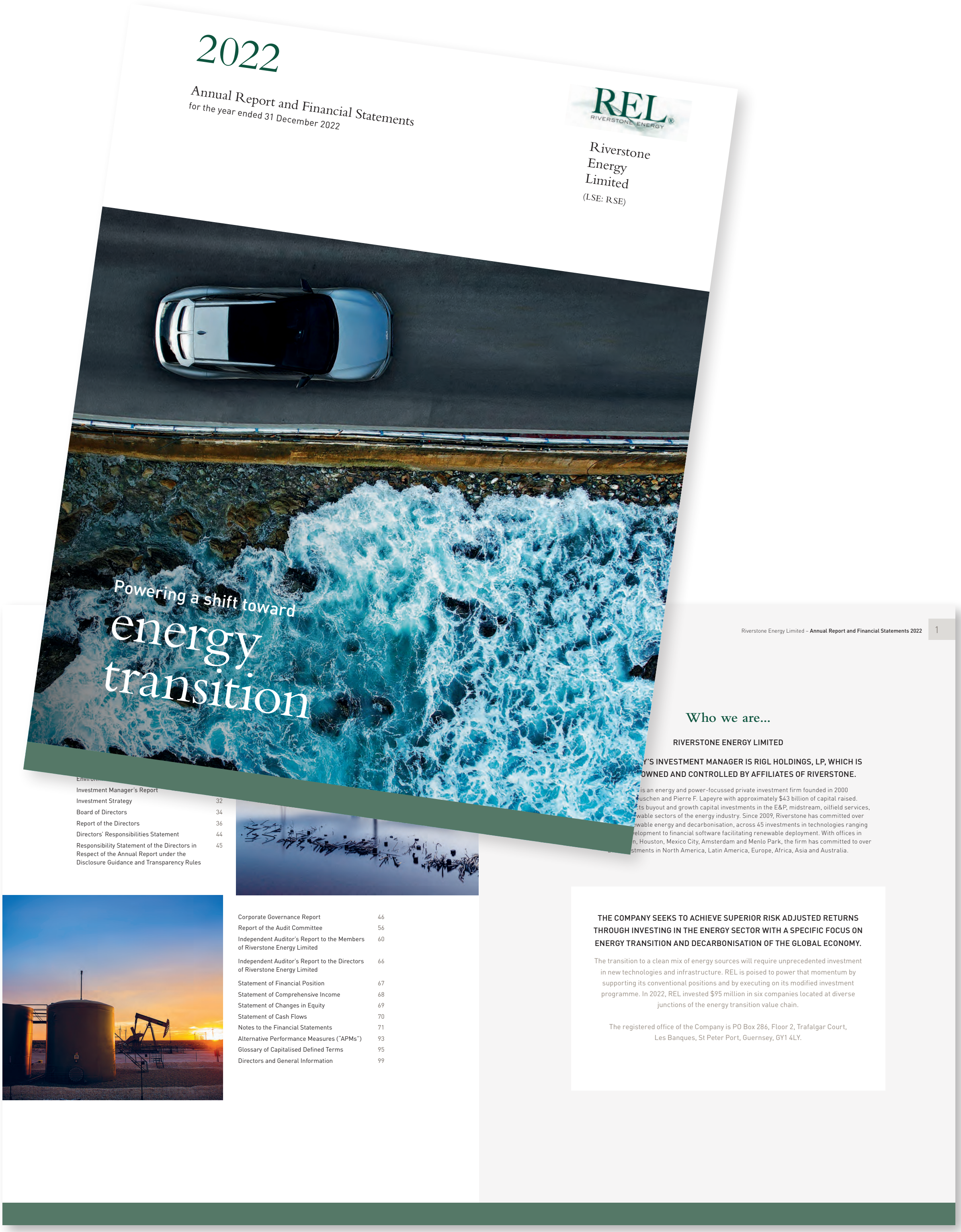
Annual Report & Accounts

Experienced in working on large Report and Accounts documents.



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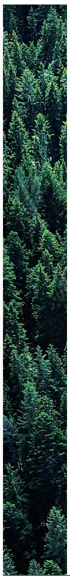


Financial and Operational Highlights[1][2]

INCREASING VALUE THROUGH SHARE REPURCHASES AND A FORWARD-LOOKING, BALANCED APPROACH TO PORTFOLIO CONSTRUCTION WITH RISK-ADJUSTED RETURNS.

→ Net commitments during the year ended 31 December 2022

Commitments increased by a net total of $69 million ($93 million pursuant to decarbonisation strategy and ($24 million) pursuant to legacy conventional strategy):

(i) $25 million in Tritium DCFC Limited
(ii) $20 million in Anuvia Plant Nutrients, Inc.
(iii) $17.5 million in T-REX Group, Inc.
(iv) $17.5 million in Infinitum Electric Inc.
(v) $12.5 million in Our Next Energy, Inc.
(vi) $4 million in Group14 Technologies Inc.
(vii) ($24 million) in Carrier Energy Partners II LLC
(viii) ($3 million) in Enviva, Inc. (in connection with overall approved commitment reduction)

→ Remaining potential unfunded commitments at 31 December 2022

$11 million[2][3] ($5 million pursuant to decarbonisation strategy and $6 million pursuant to legacy conventional strategy):

(i) $6 million in Onyx Power
(ii) $4 million in Enviva Inc.
(iii) $1 million in Our Next Energy, Inc.

→ Investments during the year ended 31 December 2022

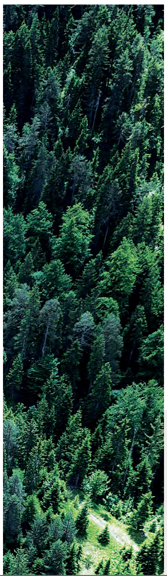
Invested a total of $95 million[2] ($95 million pursuant to decarbonisation strategy):

(i) $25 million in Tritium DCFC Limited
(ii) $20 million in Anuvia Plant Nutrients Inc.
(iii) $17.5 million in T-REX Group, Inc.
(iv) $17.5 million in Infinitum Electric Inc.
(v) $11.5 million in Our Next Energy, Inc.
(vi) $4 million in Group14 Technologies Inc.

→ Realisations during the year ended 31 December 2022

Realised a total of $164 million[2] ($163 million pursuant to legacy conventional strategy and $1 million pursuant to decarbonisation strategy):

(i) $61 million in Onyx Power
(ii) $42 million from Pipestone Energy Corp. (formerly Canadian Non-Operated Resources LP)
(iii) $34 million in Carrier Energy Partners II LLC[4]
(iv) $23 million from Permian Resources Corporation (formerly Centennial Resource Development, Inc.)
(v) $2 million from Meritage Midstream Services III, L.P.
(vi) $2 million in aggregate from ILX Holdings III, LLC, GoodLeap, LLC, Rock Oil Holdings, LLC and Tritium DCFC Limited



Key Financials

	2022	2021
NAV as at 31 December[5]	**$739 million / £610 million[6]**	$682 million / £506 million[6]
NAV per Share as at 31 December[5]	**$ 14.52 / £11.99[6]**	$12.41 / £9.19[6]
Per cent. change in NAV per Share (USD) for the year ended 31 December	**17.0 per cent.**	100.2 per cent.
Market capitalisation at 31 December	**$418 million / £345 million[6]**	$345 million / £255 million[6]
Share price at 31 December	**$8.21 / £6.78**	$6.28 / £4.65
Per cent. change in Share price (Sterling) for the year ended 31 December	**45.8 per cent.**	56.6 per cent.
Number of Shares outstanding at 31 December	**50,891,658**	54,937,599
Share price discount to NAV	**43.5 per cent.**	49.4 per cent.
Cash and cash equivalents at 31 December	**$120million[7] / £99million[6]**	$106 million[7] / £78 million[6]
Marketable securities (unrestricted) at 31 December	**$177 million[8] / £146 million[6]**	$195 million[8] / £144 million[6]
Marketable securities (restricted) at 31 December	**$4 million[9] / £3 million[6]**	$47 million[9] / £35 million[6]
Total comprehensive income for the year ended 31 December	**$88.9 million**	$341.9 million
Basic and Diluted Earnings per Share for the year ended 31 December	**171.87 cents**	561.73 cents
Number of Shares repurchased/average price per Share for the year ended 31 December[9]	**4,045,941 $7.95/ £6.63**	8,000,867 $6.28 / £4.60

(1) Amounts shown reflect investment-related activity at the Partnership, not the Company.
(2) Amounts may vary due to rounding.
(3) Excludes the remaining unfunded commitment for Hammerhead of $12.2 million, which is not expected to be funded. The expected funding of the remaining unfunded commitments at 31 December 2022 are $4.5 million in 2023 and $nil in 2024. The residual amounts are to be funded as needed in 2025 and later years.
(4) Please see page 30 for further information regarding the details of the Carrier II realisation transaction in December 2022.
(5) NAV and NAV per Share are reflective of the fair value movements in the underlying investments held by the Partnership, net of income and expenses of the Partnership and its related Investment Undertakings, including any Performance Allocation and applicable taxes which were both $nil as of 31 December 2022 and 31 December 2021.
(6) Based on exchange rate of 1.2103 $/£ at 31 December 2022 (1.3503 $/£ at 31 December 2021 and 1.606 $/£ at IPO).
(7) At 31 December 2022 and 2021, respectively, amounts are comprised of $15.8 million and $7.3 million held at the Company, $68.4 million and $4.5 million held at the Partnership and $35.3 million and $94.0 million held at REL US Corp.
(8) Unrestricted marketable securities held by the Partnership consist of publicly-traded shares of Permian Resources (formerly Centennial), Enviva, Solid Power, Tritium and Hyzon for which the aggregate fair value was $177 million at 31 December 2022, and $197.8 million as of 27 February 2023 (31 December 2021: $195 million).
(9) Restricted marketable securities held by the Partnership consist of publicly-traded shares of Tritium and DCRD for which the aggregate fair value was $4 million at 31 December 2022 and $234 million as of 27 February 2023, which also includes the shares of HHRS (see Post-Year End Update section on page 31 for further information) (31 December 2021: $47 million).
(10) Inception to date total number of shares repurchased were 29,005,073 at an average price per share of £3.89 ($5.00) for a total cost of approximately £113 million ($145 million).

Investment Manager's Report continued

Current Portfolio – Conventional

Investment (Public/Private)	Gross Committed Capital ($mm)	Invested Capital ($mm)	Gross Realised Capital ($mm)[1]	Gross Unrealised Value ($mm)[2]	Gross Realised Capital & Unrealised Value ($mm)	31 Dec 2022 Gross MOIC[2]	31 Dec 2021 Gross MOIC[2]
Permian Resources[4] *(Public)*	268	268	194	118	312	1.17x	0.98x
Onyx *(Private)*	66	60	61	118	179	3.00x	1.70x
Hammerhead Resources *(Private)*	307	295	23	154	177	0.60x	0.39x
Total Current Portfolio – Conventional – Public[3]	**268**	**268**	**194**	**118**	**312**	**1.17x**	**0.98x**
Total Current Portfolio – Conventional – Private[3]	**373**	**355**	**84**	**272**	**356**	**1.00x**	**0.61x**
Total Current Portfolio - Conventional – Public & Private[3]	**641**	**623**	**278**	**390**	**668**	**1.07x**	**0.77x**

Current Portfolio – Decarbonisation

Investment (Public/Private)	Gross Committed Capital ($mm)	Invested Capital ($mm)	Gross Realised Capital ($mm)[1]	Gross Unrealised Value ($mm)[2]	Gross Realised Capital & Unrealised Value ($mm)	31 Dec 2022 Gross MOIC[2]	31 Dec 2021 Gross MOIC[2]
GoodLeap (formerly Loanpal) *(Private)*	25	25	2	53	55	2.20x	2.75x
Enviva[4] *(Public)*	22	18	-	35	35	1.93x	2.45x
Infinitum *(Private)*	18	18		23	23	1.30x	n/a
FreeWire *(Private)*	10	10	-	20	20	2.00x	2.00x
Anuvia Plant Nutrients Inc. *(Private)*	20	20	-	20	20	1.00x	n/a
Solid Power[4] *(Public)*	48	48	-	19	19	0.39x	1.24x
T-REX Group, Inc *(Private)*	18	18	-	18	18	1.00x	
Tritium DCFC[4] *(Public)*	25	25	-	15	15		
Our Next Energy *(Private)*	13	11	-	11			
Group 14 *(Private)*	4	4					
DCRD[4][5] *(Public)*	1						
Ionic I & II (Samsung Ventures) *(Private)*							
Hyzon Motors *(Public)*							
Total Current Portfolio – Decarbon…							
Total Current …							

Realisations

Investment (Initial Investment Date)	Gross Committed Capital ($mm)	Invested Capital ($mm)	Gross Realised Capital ($mm)[1]	Gross Unrealised Value ($mm)[2]	Gross Realised Capital & Unrealised Value ($mm)	31 Dec 2022 Gross MOIC[2]	31 Dec 2021 Gross MOIC[2]
Rock Oil[6] *(12 Mar 2014)*	114	114	233	4	237	2.07x	2.06x
Three Rivers III *(7 Apr 2015)*	94	94	204	-	204	2.17x	2.17x
ILX III[7] *(8 Oct 2015)*	179	179	172	-	172	0.96x	0.96x
Meritage III[7] *(17 Apr 2015)*	40	40	88	-	88	2.20x	2.16x
RCO[8] *(2 Feb 2015)*	80	80	80	-	80	0.99x	0.99x
Carrier II[9] *(22 May 2015)*	110	110	63	3	66	0.60x	0.70x
Pipestone Energy (formerly CNOR)	90	90	58	-			0.58x
Sierra *(24 Sept 2014)*	18	18	38				2.06x
Aleph Midstream *(9 Jul 2019)*	23	23					1.00x
Ridgebury H3 *(19 Feb 2019)*	18						1.22x
Castex 2014 *(3 Sep 2014)*							0.27x
Total Realisations[3]							**1.23x**
Withdrawn Commitments …							0.02x
Total …							**0.89x**

Investment Manager's Report continued

Investment Portfolio Summary continued

$4 MILLION
INVESTED IN FULL ITS COMMITMENT TO GROUP14

Group14

In April 2022, REL, through the Partnership, invested $4 million into Group14 Technologies, Inc.'s $400 million Series C funding round. The Series C round was led by Porsche AG, with participation from OMERS Capital Markets, Decarbonization Partners, Vsquared Ventures, and others. Group14 is a battery materials technology company founded in 2015. The company has developed a proprietary silicon-based anode battery material to replace graphite in conventional lithium-ion batteries.

In Q4 2022, the company raised an additional $214mm as a second close to its Series C transaction, bringing total Series C capital raised to $614mm, fully funding the business plan through 2023.

As of 31 December 2022, REL's interest in Group14, through the Partnership, was valued at 1.00x Gross MOIC[1] or $4 million (Realised: nil, Unrealised: $4 million).

$10 MILLION
INVESTED IN FULL ITS COMMITMENT TO FREEWIRE TECHNOLOGIES

FreeWire Technologies

As of 31 December 2022, REL, through the Partnership, has fully invested its $10 million commitment to FreeWire. FreeWire is the leading provider of battery-integrated DC fast chargers (DCFCs) and their associated software. Riverstone led the company's $50 million Series C round in January 2021.

Their primary hardware product is the Boost Charger, a unitised, turnkey DCFC that offers charging speeds of up to 200kW with only a 27kW grid connection by using a 160kWh battery. These specifications support 15-24 fast charging sessions per day. The current software platform, AMP Connect, allows for charger management and integration with existing customer platforms with broader services in development.

As of 31 December 2022, REL's interest in FreeWire, through the Partnership, was valued at 2.00x Gross MOIC[1] or $20 million (Realised: nil, Unrealised: $20 million).

$0.6 MILLION
INVESTED IN FULL ITS COMMITMENT TO DCRD

DCRD

In August 2021, REL announced an investment of $0.6 million in DCRD, a special purpose acquisition vehicle sponsored by an affiliate of REL's Investment Manager which raised over $316 million in its IPO.

On 23 January 2023, the business combination agreement by and among DCRD, Hammerhead, Hammerhead Energy Inc., an Alberta corporation and wholly owned subsidiary of Hammerhead ("NewCo") and 2453729 Alberta ULC ("AmalCo") was approved with 27,623,812 votes for, 3,314,327 votes against, and 1 abstention. The transaction subsequently closed on 23 February 2023. Please see further details in the Post-Year End Update section on page 31.

As of 31 December 2022, REL's interest in DCRD, through the Partnership, was valued at 4.99x Gross MOIC[1] or $3.0 million (Realised: nil, Unrealised: $3.0 million).

$11.5 MILLION
INVESTED OF ITS $12.5 MILLION COMMITMENT TO OUR NEXT ENERGY (ONE)

Our Next Energy (ONE)

In December 2022, REL invested $11.5 million of its $12.5 million commitment to Our Next Energy's (ONE) $300 million Series B round, valuing the company at over $1 billion. ONE is a Michigan-based energy storage technology company working to develop batteries for mobility and large-scale storage applications. ONE will use the proceeds of the round to complete ONE Circle, its Van Buren Township, Michigan facility, which will be its first Lithium Iron Phosphate (LFP) battery manufacturing plant.

As of 31 December 2022, REL's interest in ONE, through the Partnership, was valued at 1.00x Gross MOIC[1] or $11 million (Realised: nil, Unrealised: $11 million).

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STRATEGIC REPORT

AT A GLANCE

GUIDED BY OUR PURPOSE

We keep Britain building, enabling the development of thriving communities and infrastructure.

UK FOCUS

Our focus is on the UK, and we enjoy strong positions in key market sectors via our established brands.

Our proximity to our customers and the low value-to-weight ratio of our products provides competitive advantage over imported products.

OUR LOCATIONS

KEY

Head office

Aircrete Blocks (2)

Aggregate Blocks/ Concrete Pavers (3)

Bricks (9)

Bespoke Products (3)

PEOPLE

1,800

MANUFACTURING FACILITIES

17

2 FORTERRA PLC ANNUAL REPORT AND ACCOUNTS 2021

OUR MARKETS

RESIDENTIAL NEW BUILD

Residential is at our core and the new build sector of this market is a significant portion of our business. New build rates in the UK continue to be buoyant and through our bricks, blocks and flooring product lines we provide the essential products to the majority of the country's house builders, builders' merchants and distributors; keeping Britain building.

RESIDENTIAL RMGI

The Repair, Maintenance and Improvement (RM&I) market forms an additional segment of the residential market, and we offer a range of RM&I products in support of this area, most notably our London Brick range used in extensions across the country, reduces our reliance on new build construction.

COMMERCIAL

The commercial and specification market focuses on architecturally driven projects such as schools, hospitals, stadia, offices, universities and other public buildings. We supply a wide range of products into this sector through our Bison Precast business, and the redevelopment of our Wilnecote brick factory will see an enhanced range of bricks also supplying this market.

REVENUE 65%

REVENUE 27%

REVENUE 8%

OUR PRODUCTS

BRICKS

Our clay brick range includes the iconic London Brick, and is complemented by a comprehensive range of wire-cut, pressed, thrown and special shaped products to satisfy a variety of end-use markets.

BLOCKS

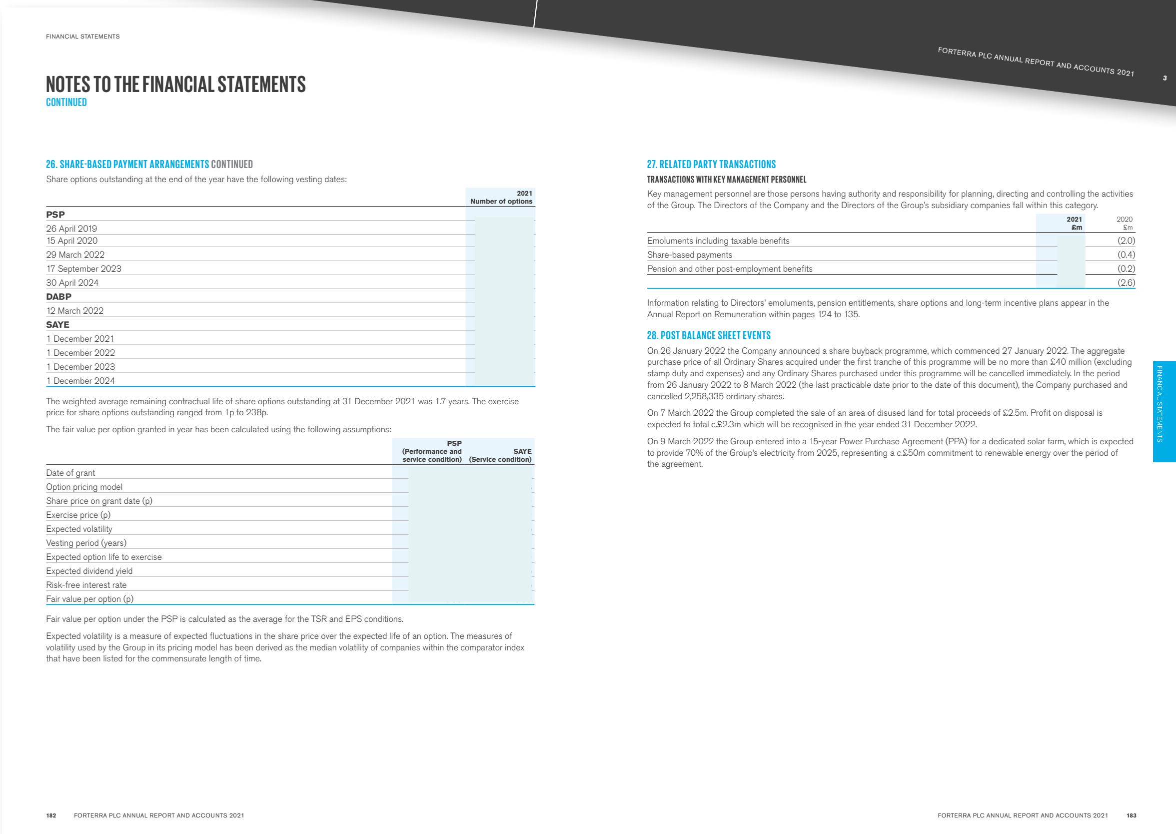
Our inner leaf walling products include Thermalite, a leading lightweight, thermally efficient block used within residential construction, and the Conbloc range of dense and lightweight aggregate blocks. Landscaping solutions are provided by our Formpave concrete block paving range.

BESPOKE PRODUCTS

Bison Precast spearheads our bespoke products offering, providing a range of offsite manufactured concrete walling, flooring and ancillary products. Jetfloor, our insulated ground floor system leads our offering into the new build residential market.

STRATEGIC REPORT

FORTERRA PLC ANNUAL REPORT AND ACCOUNTS 2021 3


FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS

CONTINUED

26. SHARE-BASED PAYMENT ARRANGEMENTS CONTINUED

Share options outstanding at the end of the year have the following vesting dates:

	2021 Number of options
PSP	
26 April 2019	
15 April 2020	
29 March 2022	
17 September 2023	
30 April 2024	
DABP	
12 March 2022	
SAYE	
1 December 2021	
1 December 2022	
1 December 2023	
1 December 2024	

The weighted average remaining contractual life of share options outstanding at 31 December 2021 was 1.7 years. The exercise price for share options outstanding ranged from 1p to 238p.

The fair value per option granted in year has been calculated using the following assumptions:

	PSP (Performance and service condition)	SAYE (Service condition)
Date of grant		
Option pricing model		
Share price on grant date (p)		
Exercise price (p)		
Expected volatility		
Vesting period (years)		
Expected option life to exercise		
Expected dividend yield		
Risk-free interest rate		
Fair value per option (p)		

Fair value per option under the PSP is calculated as the average for the TSR and EPS conditions.

Expected volatility is a measure of expected fluctuations in the share price over the expected life of an option. The measures of volatility used by the Group in its pricing model has been derived as the median volatility of companies within the comparator index that have been listed for the commensurate length of time.

27. RELATED PARTY TRANSACTIONS

TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group. The Directors of the Company and the Directors of the Group's subsidiary companies fall within this category.

	2021 £m	2020 £m
Emoluments including taxable benefits		(2.0)
Share-based payments		(0.4)
Pension and other post-employment benefits		(0.2)
		(2.6)

Information relating to Directors' emoluments, pension entitlements, share options and long-term incentive plans appear in the Annual Report on Remuneration within pages 124 to 135.

28. POST BALANCE SHEET EVENTS

On 26 January 2022 the Company announced a share buyback programme, which commenced 27 January 2022. The aggregate purchase price of all Ordinary Shares acquired under the first tranche of this programme will be no more than £40 million (excluding stamp duty and expenses) and any Ordinary Shares purchased under this programme will be cancelled immediately. In the period from 26 January 2022 to 8 March 2022 (the last practicable date prior to the date of this document), the Company purchased and cancelled 2,258,335 ordinary shares.

On 7 March 2022 the Group completed the sale of an area of disused land for total proceeds of £2.5m. Profit on disposal is expected to total c.£2.3m which will be recognised in the year ended 31 December 2022.

On 9 March 2022 the Group entered into a 15-year Power Purchase Agreement (PPA) for a dedicated solar farm, which is expected to provide 70% of the Group's electricity from 2025, representing a c.£50m commitment to renewable energy over the period of the agreement.

FINANCIAL STATEMENTS

182 FORTERRA PLC ANNUAL REPORT AND ACCOUNTS 2021

FORTERRA PLC ANNUAL REPORT AND ACCOUNTS 2021 183

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/ TRANSFORMATION UNDERWAY

> "During his first six months Guy has developed a set of priorities to put the business firmly on the front foot and drive profit growth, based upon rebuilding Foxtons' estate agency DNA.

Nigel Rich CBE Chairman

CHAIRMAN'S STATEMENT

2022 was an eventful year for Foxtons. Significant Senior Management changes took place, of which the most significant was the appointment of Guy Gittins as CEO. His appointment was announced in late May and after a period of garden leave required by his previous employer, he joined the Company on 5 September 2022.

Peter Rollings, a Non-Executive Director, who had previously spent 20 years at Foxtons, latterly as a Managing Director, took over as Interim CEO pending Guy's arrival. I am most grateful to Peter for taking on this responsibility, which he fulfilled with enthusiasm and commitment.

Guy, who began his career at Foxtons and was most recently CEO of Chestertons, has brought to Foxtons considerable experience and success as an estate agent, as well as knowledge of the London residential market.

During his first six months, Guy has reviewed the business and developed a set of priorities to put the business firmly on the front foot and drive revenue and profit growth based upon rebuilding Foxtons' estate agency DNA. Already he's making significant strides in strengthening Foxtons' competitive advantages, enhancing our ability to innovate and lead the industry with our data capabilities, as well as refreshing our purpose and values.

We are prioritising growth in the non-cyclical revenue streams within Lettings and Financial Services to drive resilience and recurring revenues. Growth will be achieved through organic and inorganic growth in Lettings, and by building up our Financial Services business to handle more of the referrals generated from the Sales business.

The Group has set out its medium-term ambitions which will return Foxtons to a leading agency position in London and deliver significantly improved returns to our shareholders.
The management incentive schemes are closely aligned to the Group's medium-term ambitions.

Financials

Revenue from continuing operations increased by 11% to £140.3 million, driven largely by Lettings which contributed £86.9 million, an increase of 17%. Adjusted operating profit increased by 56% to £13.9 million with Lettings contributing £18.0 million, enhanced by a full year of contribution from the D&G Lettings portfolio and the additional acquisitions made in 2022. Profit before tax increased by 115% to £11.9 million.

Head office and other administration costs were reduced by streamlining Senior Management, resulting in annualised savings of around £3 million, of which around two thirds were reflected in the 2022 results. In order to grow market share across the business, these savings have been reinvested, by increasing the number of agents and advisers, to drive organic growth in Lettings and Financial Services and return Sales to profitability in the longer term.

Net cash at the year end was £12.0 million, after investing £8.5 million in lettings portfolios and buying back £4.9 million of shares.

In the final quarter, the Group wrote off its £3.4m investment in Boomin which went into liquidation due to the economic slowdown and a decline in funding availability in the technology sector. Investment will now be firmly focused on the core business.

Board

Reflecting a period of change and some tenures coming to an end, there were a number of Board changes during the year, including a full change of the Executive Directors with Nic Budden, Richard Harris and Patrick Franco stepping down and the appointment of Guy Gittins as CEO and Chris Hough as CFO.

Additionally, two of our Non-Executive Directors, Alan Giles and Sheena Mackay, have chosen not to stand for re-election at the 2023 AGM given the new Chairman, CEO and wider management team changes are now complete and in place. I would like to thank Alan and Sheena for their great support and contribution as Non-Executive Directors during my chairmanship and wish them well with their new endeavours. Rosie Shapland will take up the position of Senior Independent Director upon Alan Giles' resignation from the Board at the 2023 AGM.

I am pleased to welcome Annette Andrews as Non-Executive Director and Chair of the Remuneration and ESG Committees and Jack Callaway as a Non-Executive Director. Both Annette and Jack joined the Board on 1 February 2023, and Annette will take over as Chair of the Remuneration and ESG Committees at the 2023 AGM.

Dividends and share buybacks

The Board has declared a final dividend of 0.7p per share, making a total in respect of 2022 of 0.9p per share under our policy of returning 35% to 40% of profit after tax in ordinary dividends. In 2022 we bought back 14.8 million shares through our share buyback programme at a cost of £4.9 million. The Board will review the continuation of the programme, bearing in mind our other capital needs, once the current authority, of which £1.1 million was unspent at 31 December 2022, is fully utilised.

Medium-term outlook

The new leadership team, the strength of the brand, and an enhanced approach to data and better leveraging our IT system, coupled with increasing our salesforce capacity in Lettings and Sales, will enable Foxtons to build market share. We will continue to invest in high quality lettings portfolios that meet our investment criteria. The £7.4 million acquisition of Atkinson McLeod announced yesterday reflects further progress against this strategy. We will also continue to support and grow our Financial Services business.

We believe we are creating a much more competitive and resilient business that is well placed to deliver growth and shareholder value in the medium term.

Nigel Rich CBE
Chairman
6 March 2023

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/ RESILIENT BUSINESS MODEL

OUR BUSINESS MODEL IS UNDERPINNED BY NON-CYCLICAL RECURRING REVENUE STREAMS

Our business model is underpinned by non-cyclical recurring revenue streams, generated by Lettings and refinance activity within Financial Services. In 2022, 65% of total revenue was generated from non-cyclical recurring revenue streams.

OUR REVENUE STREAMS

LETTINGS

London's largest lettings agent brand operating across the private rental sector

We are the largest lettings agent brand in London, with a portfolio of around 26,500 tenancies. We provide tenant find, rent collection, tenancy renewal and property management services. We are a market leading agent in the growing Build to Rent sector, supporting developers and operators to let large-scale developments at speed.

Lettings delivers non-cyclical recurring revenue and profit

SALES

One of London's largest sales agents with the highest brand prominence

We provide residential property sales agency for private sellers and new homes developers. Our success-based pricing model means we are focussed on getting the best result for sellers.

Sales is highly correlated to residential sales property market cycles and offers significant medium-term upside potential

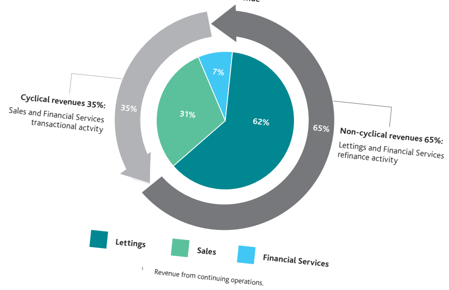
FINANCIAL SERVICES

Award winning independent mortgage broker and financial products provider

Under our Alexander Hall brand we provide mortgage broking and ancillary financial services products. Alexander Hall is an award-winning business with four awards in 2022 including, What Mortgage Awards for 'Best Mortgage Broker (up to 39 advisers)' and 'Best Broker Customer Service'.

Financial Services delivers high levels of non-cyclical recurring revenue through its refinancing business

2022 Revenue[1]



[1] Revenue from continuing operations.

OUR COMPETITIVE ADVANTAGES

Our competitive advantages historically underpinned our business model. By strengthening these areas of differentiation we will be able to deliver against our strategic priorities and fulfil our growth ambitions.

BRAND

Built over 40 years the iconic Foxtons brand is instantly recognisable and synonymous with residential property in London. It has high levels of unprompted awareness providing an ideal platform for us to engage new landlords and sellers. With our new brand ethos – **'We Get It Done'** – and renewed focus on innovation we will go to market with a more confident and clear articulation of what Foxtons is and why we should be London's go-to estate agent.

Refer to PAGE 16 for more information on how we are reinvigorating the iconic Foxtons brand.

PEOPLE AND CULTURE

With values that are rooted in Foxtons' estate agency DNA and a new purpose, we are rediscovering our high-performance culture and investing in existing and new people to create the best, most innovative team in the industry. Landlords and sellers will choose an agent they trust to get the right deal done for them. And we will earn this trust by exhibiting the Foxtons values day in, day out.

Refer to PAGE 17 for more information on how we are advancing our people programmes and rebuilding our high-performance culture.

TECHNOLOGY AND DATA

Technology and data underpin every aspect of the Group. Our in-house, bespoke customer relationship management system powers every customer interaction and property transaction we complete. Our technology provides our people with the tools to deliver the best results and experience for our customers. Our rich database, the largest of its type in London, and longstanding customer relationships enable us to successfully connect landlords and sellers with the best tenants and buyers.

Refer to PAGE 17 for more information on how we are advancing our technology and data capability.

VALUE FOR OUR STAKEHOLDERS

OUR SHAREHOLDERS

Delivering shareholder returns

£6.4 MILLION

of shareholder returns through dividends paid and share buyback programmes in 2022

OUR CUSTOMERS AND SUPPLIERS

Providing exceptional service and results for landlords, sellers, tenants and buyers, supported by our trusted supplier base

4.7 OUT OF 5

on Trustpilot

OUR PEOPLE

Being known as an employer of choice, developing and retaining high-performance talent

85%

2022 employee engagement survey score[1]

OUR COMMUNITIES

Engaging with and contributing to communities through our Career Ready partnership

220

talented young people supported through internships, virtual masterclasses and panel discussions

[1] Results from the 2022 employee engagement survey independently administered by WTW.

/ NOTES TO THE FINANCIAL STATEMENTS CONTINUED

26. SHARE-BASED PAYMENTS CONTINUED

Equity-settled share bonus payment schemes

Bonus Banking Plan (BBP)

In 2020 the Company introduced a performance-related bonus scheme, BBP, for Executive Directors whereby the bonus amount paid is based on a percentage of salary and is paid partly in cash and partly in shares. Bonuses are awarded in cash annually depending on the achievement of performance measures that are also determined annually.

The BBP scheme runs in three year performance cycles, with each cycle vesting over a four-year period in shares. A contribution will be made by the Company into the participant's plan account following the end of each plan year. The scheme pays out 50% of the cumulative balance annually for the first three years of the plan, with 100% of the residual value paid out at the end of the four-year period. Refer to the Directors' Remuneration Report on PAGE 106 for further information.

The fair value of shares awarded under these schemes is based on the Group's 30-day average share price in the period up to the end of the financial year in which the shares were granted.

	2022 Number of awards
Outstanding at beginning of period	455,766
Granted during the period	494,718
Forfeited during the period	(177,002)
Exercised during the period	-
Outstanding at the end of the period	773,482

At 31 December 2022 the awards had an average remaining life of one year (2021: two years). There is no exercise price for these awards. The weighted average fair value of awards at 31 December 2022 was £0.39 per share (2021: £0.44). Of the awards outstanding at the end of the period, nil were exercisable.

27. ALTERNATIVE PERFORMANCE MEASURES

In reporting financial information the Group presents APMs which are not defined or specified under the requirements of IFRS. The Group believes that the presentation of APMs provides stakeholders with additional helpful information on the performance of the business, but does not consider them to be a substitute for or superior to IFRS measures.

The Group's APMs are aligned to our strategy and together are used to measure the performance of the business and form the basis of the performance measures for remuneration. Adjusted results exclude certain items because if included, these items could distort the understanding of our performance for the period and the comparability between periods.

The definition, purpose and how the measures are reconciled to statutory measures are set out below.

The Group reports the following APMs:

a) Adjusted operating profit and adjusted operating profit margin

Adjusted operating profit represents the profit before tax for the period before finance income, finance cost, other gains and adjusted items (defined within Note 1). This measure is reported to the Board for the purpose of resource allocation and assessment of segment performance. The closest equivalent IFRS measure to adjusted operating profit is profit before tax.

Adjusted operating profit margin is defined as adjusted operating profit divided by revenue. This APM is a key performance indicator of the Group and is used to measure the delivery of the Group's strategic priorities.

Refer to Note 2 for a reconciliation between profit before tax and adjusted operating profit and for the inputs used to derive adjusted operating profit margin.

b) Contribution and contribution margin

Contribution is defined as revenue less direct salary costs of front office staff and costs of bad debt. Contribution margin is defined as contribution divided by revenue. Contribution and contribution margin are key metrics for management since both are measures of the profitability and efficiency before the allocation of shared costs. A reconciliation between continuing operations revenue and contribution is presented below.

31 December 2022	Lettings £'000	Sales £'000	Financial Services £'000	Consolidated £'000
Revenue	86,918	43,182	10,222	140,322
Less: Direct operating costs	(22,130)	(21,142)	(5,739)	(49,011)
Contribution	64,788	22,040	4,483	91,311
Contribution margin	74.5%	51.0%	43.9%	65.1%

31 December 2021	Lettings £'000	Sales £'000	Financial Services £'000	Consolidated £'000
Revenue	74,342	42,673	9,460	126,475
Less: Direct operating costs	(22,657)	(19,874)	(5,402)	(47,933)
Contribution	51,685	22,799	4,058	78,542
Contribution margin	69.5%	53.4%	42.9%	62.1%

d) Adjusted earnings per share

Adjusted earnings per share is defined as earnings per share excluding adjusted items and any significant remeasurements of deferred tax balances as a result of UK corporate tax rate changes.

The measure is derived by dividing profit after tax, adjusted for adjusted items and the impact of remeasuring deferred tax balances as a result of UK corporate tax rate changes, by the weighted average number of ordinary shares in issue during the financial period, excluding own shares held. This APM is a measure of management's view of the Group's underlying earnings per share.

The closest equivalent IFRS measure is earnings per share. Refer to Note 9 for a reconciliation between earnings per share and adjusted earnings per share.

e) Net free cash flow

Net free cash flow is defined as net cash from operating activities less repayment of IFRS 16 lease liabilities and net cash generated/used in investing activities, excluding the acquisition of subsidiaries (net of any cash acquired), divestments and purchase of investments. This measure is used to monitor cash generation. A reconciliation between net cash from operating activities and net free cash flow is presented below.

	2022 £'000	2021 £'000
Net cash from operating activities	23,932	23,476
Less: Repayment of IFRS 16 lease liabilities	(12,686)	(15,228)
Net cash from operating activities, after repayment of IFRS 16 lease liabilities	11,246	8,248
Investing activities:		
Interest received	137	15
Proceeds on disposal of property, plant and equipment	53	154
Proceeds on disposal of investments	-	160
Purchases of property, plant and equipment	(2,953)	(1,976)
Purchases of intangibles	(755)	(2)
Net cash used in investing activities	(3,518)	(1,649)
Net free cash inflow	7,728	6,599

f) Net cash/(debt)

Net cash is defined as cash and cash equivalents less external borrowings and excludes IFRS 16 lease liabilities. The definition of the measure is consistent with the definition of the leverage ratio covenant attached to the Group's RCF and therefore monitored internally for the purposes of covenant compliance. A reconciliation of the measure is presented below.

	2022 £'000	2021 £'000
Cash and cash equivalents	12,027	19,374
Less: External borrowings	-	-
Net cash	12,027	19,374

28. EVENTS AFTER THE REPORTING PERIOD

On 3 March 2023, the Group acquired the entire issued share capital of Atkinson McLeod Limited, a London lettings agent, for a consideration of £7.4 million, adjusted for current assets less total liabilities at completion. The consideration was fully satisfied in cash, with £0.7 million of consideration deferred for the twelve months.

Unaudited revenue and operating profit for the twelve months to 31 March 2022 was £3.1 million and £0.9 million respectively. Gross assets at 31 March 2022 were £2.5 million.

Given the proximity of the transaction to the announcement of the Group's financial statements, a full purchase price allocation exercise has not yet been completed and the valuation of the assets acquired will be assessed prior to the next reporting date.

Paul Sutton - Annual Report & Accounts

10 ANNUAL REPORT AND FINANCIAL STATEMENTS 2022
Riverstone Credit Opportunities Income Plc

STRATEGIC REPORT CONTINUED

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

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

Riverstone published its annual ESG report in February 2023. The pages that follow summarise the key elements for investors which impact RCOI current and future investments. More detail is included in the full report, which is available on Riverstone's website: https://www.riverstonellc.com/en/responsible-investing/.

STATEMENT FROM THE INVESTMENT MANAGER

Our primary obligation is to be exceptional stewards of our investors' capital. In today's world, this translates not only into delivering strong risk-adjusted returns but also doing so in a manner which formally adopts and integrates a proportionate and measured environmental, social and governance (ESG) value system for the benefit of a diverse group of stakeholders.

This is all at a time of increasing economic uncertainty, emerging regulatory complexity and political scrutiny that will undoubtedly shape how ESG evolves over the coming years. As we issue this, our fourth annual ESG report, we continue to recognise the correlation between those businesses that make ESG a core pillar of their strategies and day-to-day operations and those that are successful in what they do. At Riverstone, we continue to be committed to deploying capital in a sustainable, ethical and socially responsible way.

As a firm, we will continue to invest in climate solutions and data analytics to decrease the carbon intensity of our portfolio companies. By reducing our emissions and being able to track such reductions, we will be able to quantify and report to you on our contribution to mitigating climate change.

As a firm, we are working to identify and assess physical and transition climate risks across our portfolios.

Program enhancements

In addition to the work we are doing around emissions and climate change, there are a number of other noteworthy developments to our ESG program. While the following pages go into these in more detail, highlights from the past year include:

- Further enhancements to climate related disclosures with a goal for future alignment with the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD)
- The classification of one of our funds as Article 8 for the purposes of the EU Sustainable Finance Disclosure Regulation and the possibility for additional fund classifications in the future
- Our continued participation in, and submission of data to, the ESG Data Convergence Initiative, led by the Institutional Limited Partners Association (ILPA)
- Our ongoing ESG training/capacity building program at Riverstone
- Our partnership with Howard University

Looking forward

We are encouraged by the improvements we have made to our ESG program in 2022. However, against the backdrop of the heightened focus on ESG and, in particular, on climate change issues, we recognise there is much more work required, in partnership with you, our investors, our management teams, regulators and other important stakeholders. We will continue to prioritise our commitment to being responsible investors and look forward to providing further updates on our ESG activities in the year to come.

All capitalised terms are defined in the list of defined terms on page 79 to 80 unless separately defined.

ANNUAL REPORT AND FINANCIAL STATEMENTS 2022 11
Riverstone Credit Opportunities Income Plc

ESG: 2022 IN REVIEW

In our 2021 ESG report, we established a number of overarching ESG objectives for 2022 and 2023. Our progress through 2022 against these objectives, and other ESG issues addressed during the year, are summarised below and presented in more detail throughout this report.

Climate change

- Completed actions to further develop Riverstone's ESG reporting, resulting in partial alignment with the recommendations of the TCFD
- Engaged Persefoni to collaborate with our Borrowers in developing high-quality GHG inventories to track their emissions, yielding disclosure of our financed emissions for the first time, including Scope 1 and 2 emissions generated by our portfolio companies
- Performed climate risk assessments to identify physical and transition risks for the majority of the portfolio, which included evaluation of the latest climate projections and current regulatory trends to deepen our engagement with Borrowers.
- The Company is not required to comply with the full TCFD disclosure requirements as it is an investment trust and exempt under LR9.8.6R(8)

ESG Integration

- Modified our ESG toolkit and Investment Committee memo template to reflect investment criteria associated with the EU Sustainable Finance Disclosure Regulation
- Enhanced scoring calibration and criteria across all ESG MEs through our annual ESG questionnaire process
- Developed an ESG onboarding pack for new Borrowers to share information with them about our ESG program, portfolio engagement, and best practices
- Continued to establish additional Green and Sustainability-Linked Loans through Riverstone Credit Partners (RCP)

Sustainability focus

- Strengthened our partnership with Howard University by providing summer internships, participating in their career fair and leading on-campus seminars
- Built ESG capacity at all levels in Riverstone through our ESG toolkit and training on unconscious bias
- Classified one of our funds as Article 8 for the purposes of the EU Sustainable Finance Disclosure Regulation and considering additional classifications in the future
- Participated in the ESG Data Convergence Initiative to contribute comparable data that will enable private equity firms to better assess their ESG progress and practices

Paul Sutton - Annual Report & Accounts

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

For the year ended 31 December 2022

5. UNCONSOLIDATED SUBSIDIARIES CONTINUED

The amounts invested in the Company's unconsolidated subsidiaries during the year and their carrying value at 31 December 2022 are as outlined in note 4, comprising:

	31 DECEMBER 2022			31 DECEMBER 2021		
	RIVERSTONE INTERNATIONAL CREDIT CORP. $'000	RIVERSTONE INTERNATIONAL CREDIT L.P. $'000	TOTAL $'000	RIVERSTONE INTERNATIONAL CREDIT CORP. $'000	RIVERSTONE INTERNATIONAL CREDIT L.P. $'000	TOTAL $'000
Opening balance at 1 January 2022	86,805	320	87,125	88,548	-	88,548
Restructure of investments	309	(309)	-	-	-	563
Investment additions	11,439	12,693	24,132	3	560	-
Investment realisations	(12,692)	(7,939)	(20,631)	-	-	1,986
Movement in fair value	3,523	421	3,944	(1,746)	(240)	-
Closing balance at 31 December	89,384	5,186	94,570	86,805	320	87,125

The Company intends to fund further underlying investments through its unconsolidated subsidiaries.

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

During 2022, the SPVs borrowed $5 million, incurred $0.3 million in fees and $0.1m in interest. Interest is recorded in the interest expense at the SPV level and is also included in the SPVs' net asset value. The interest rate on 2022 borrowings was SOFR plus 6.50%.

There are no restrictions on the ability of the Company's unconsolidated subsidiaries to transfer funds in the form of cash distributions or repayment of loans.

6. TRADE AND OTHER RECEIVABLES

	31 DECEMBER 2022 $'000	31 DECEMBER 2021 $'000
Prepayments	76	76
VAT receivable	33	21
Bank interest receivable	15	-
	124	97

7. TRADE AND OTHER PAYABLES

	31 DECEMBER 2022 $'000	31 DECEMBER 2021 $'000
Profit share payable	1,685	668
Other payables	204	230
	1,889	898

8. SHARE CAPITAL AND RESERVES

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

As at 31 December 2022 the Company's issued share capital comprises 90,805,237 Ordinary Shares (2021: 91,545,383) and 1 E Share (2021: 1). Ordinary Shareholders are entitled to all distributions paid by the Company and, on a winding up, provided the Company has satisfied all of its liabilities, the Shareholders are entitled to all of the surplus assets of the Company. E shares are non-redeemable shares and grant the registered holders the right to receive notice of and to attend but, except where there are no other shares of the Company in issue, not to speak or vote (either in person or by proxy) at any general meeting of the Company.

During the year, the Company repurchased and cancelled 740,146 Ordinary Shares (31 December 2021: none) as part of its buy-back programme. Further details regarding the Company's purchase of its own shares are in the Chairman's Statement on pages 4 to 5.

9. RETAINED EARNINGS

	FOR THE YEAR ENDED 31 DECEMBER 2022			FOR THE YEAR ENDED 31 DECEMBER 2021		
	REVENUE RESERVE $'000	CAPITAL RESERVE $'000	TOTAL $'000	REVENUE RESERVE $'000	CAPITAL RESERVE $'000	TOTAL $'000
Opening balance	1,588	(467)	1,121	1,832	1,519	3,351
Profit and total comprehensive income in the year	8,904	3,944	12,848	6,437	(1,986)	4,451
Distributions paid in the year	(7,021)	-	(7,021)	(6,681)	-	(6,681)
Closing balance	3,471	3,477	6,948	1,588	(467)	1,121

10. AUDIT FEES

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

	FOR THE YEAR ENDED 31 DECEMBER 2022 $'000	FOR THE YEAR ENDED 31 DECEMBER 2021 $'000
Fees to the Company's Auditor		
for audit of the statutory financial statements	206	227
for other audit related services	24	27
for non-audit services	-	-
	230	254

Other fees paid to the Company's Auditor for other audit related services of $24k (2021: $27k) were in relation to a review of the Interim Report. There were no fees paid for other non-audit services in the year (2021: $nil).

All capitalised terms are defined in the list of defined terms on page 79 to 80 unless separately defined.

DIRECTORS' REMUNERATION REPORT CONTINUED

ANNUAL REPORT ON REMUNERATION (AUDITED INFORMATION)

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

	PAID IN THE YEAR TO 31 DECEMBER 2022 $	CHANGE FROM PRIOR YEAR %	PAID IN THE YEAR TO 31 DECEMBER 2021 $
Reuben Jeffery, III (Chairman) – £45k p.a.	55,400	-10%	61,390
Emma Davies (Audit & Risk Committee Chair) – £40k p.a.	49,245	-10%	54,569
Edward Cumming-Bruce (Nomination Committee Chair) – £35k p.a.	43,089	-10%	47,748
Total	147,734		163,707

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

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

	PAID IN THE YEAR TO 31 DECEMBER 2022 $	CHANGE FROM PRIOR YEAR %	PAID IN THE YEAR TO 31 DECEMBER 2021 $
Reuben Jeffery, III	31,524	103%	15,551
Emma Davies	–	–	–
Edward Cumming-Bruce	–	–	–
Total	31,524	–	15,551

None of the Directors received any other remuneration or additional discretionary payments during the year from the Company (2021: $Nil).

DIRECTORS' INTERESTS (AUDITED INFORMATION)

Directors who held office during the year and had interests in the Ordinary Shares of the Company as at 31 December 2022 are given in the table below. There were no changes to the interests of each Director as at the date of this report.

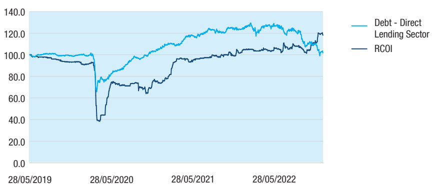
	ORDINARY SHARES OF $0.01 EACH HELD AT 31 DECEMBER 2022	ORDINARY SHARES OF $0.01 EACH HELD AT 31 DECEMBER 2021
Reuben Jeffery, III	100,000	100,000
Emma Davies	45,000	45,000
Edward Cumming-Bruce	50,000	50,000

RELATIVE IMPORTANCE OF SPEND ON PAY

The remuneration of the Directors with respect to the year totalled $147,734 (2021: $163,707) in comparison to distributions paid or declared to Shareholders with respect to the year of $8.9 million (2021: $6.4 million).

COMPANY PERFORMANCE

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



On behalf of the Board

REUBEN JEFFERY, III
Chairman
15 February 2023

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