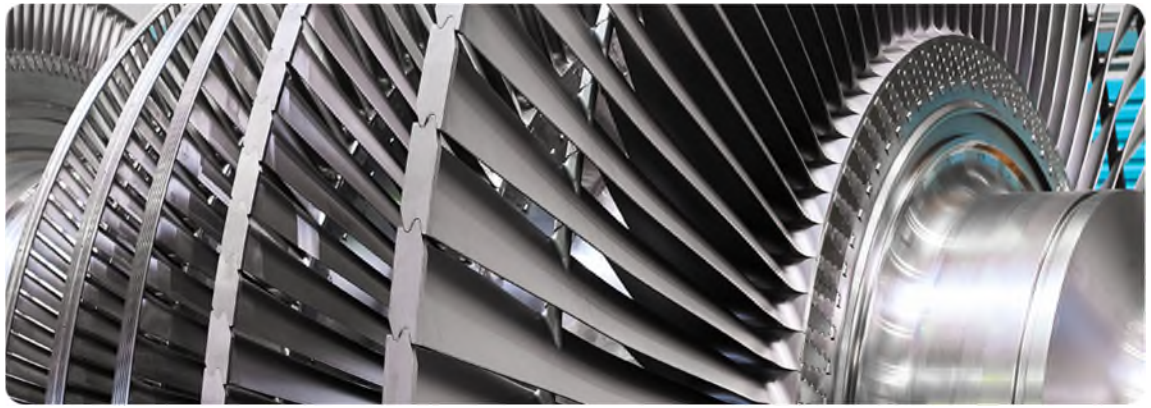
Annual Financial Report

31 December 2024

Contents



Financial Highlights and Performance Summary

Share price total return[1,2]

Sterling Shares – 31 December [1,2]

2024	29.17%
2023	18.08%

Euro Shares – 31 December [1,2]

2024	21.17%
2023	21.95%

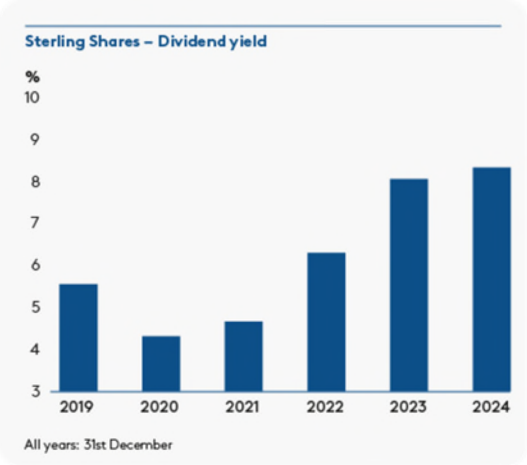
Dividend Yield[2]

Sterling Shares – 31 December [2]

2024	8.63%
2023	8.08%

Euro Shares – 31 December [2]

2024	7.32%
2023	7.53%



[1] Share price is the bid price. Share price source: Bloomberg

[2] These are Alternative Performance Measures; refer to pages 96 to 98 for details.

Financial Highlights and Performance Summary (continued)

NAV total return [3]

Sterling Shares – 31 December [3]

2024	17.97%
2023	22.79%

Euro Shares – 31 December [3]

2024	16.88%
2023	21.69%

Discount[3]

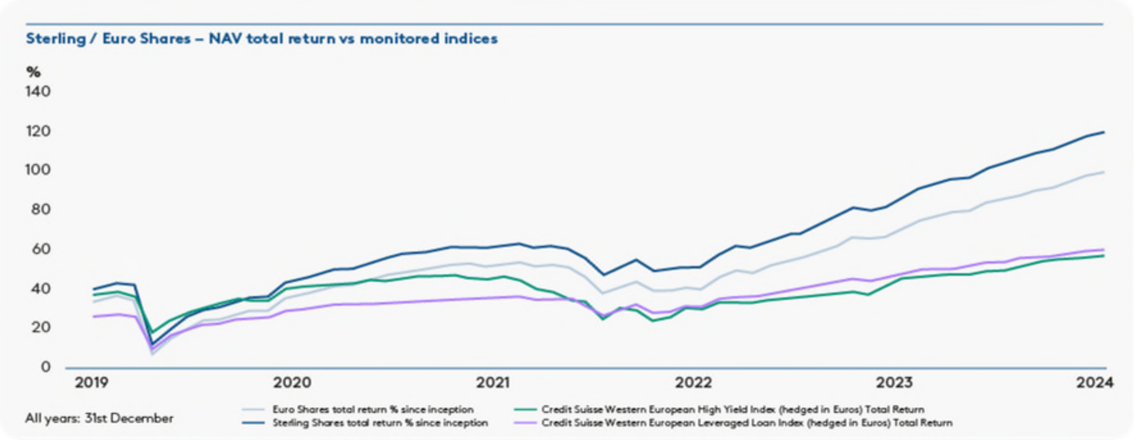
Sterling Shares – 31 December [3]

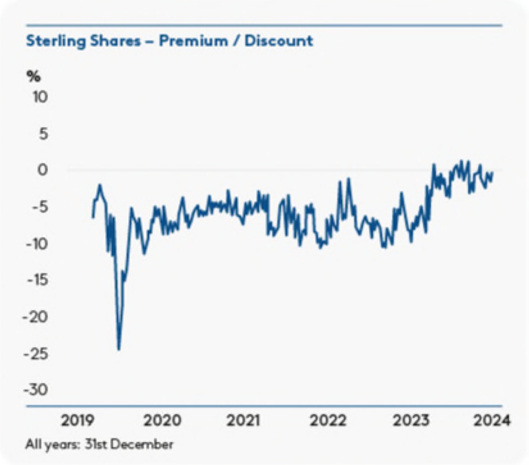
2024	0.46%
2023	9.73%

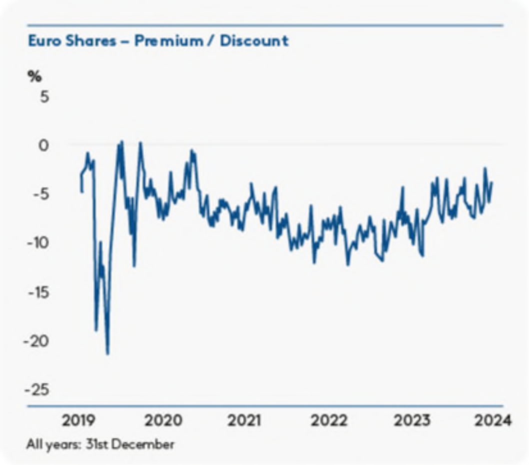
Euro Shares – 31 December [3]

2024	4.02%
2023	7.64%

NAV total return vs monitored indices







[3] These are Alternative Performance Measures; refer to pages 96 to 98 for details.

Chairman’s Statement

01

Chairman’s Statement

Welcome to our 2024 annual financial statements.

2024 Highlights

	Sterling shares	Euro shares
Share price total return – 31 December 2024	29.17%	21.17%
Dividend yield – 31 December 2024	8.63%	7.32%
Closing discount to NAV	0.46%	4.02%

The Company has delivered strong performance for the year and continues the positive trend from 2023 with interest rates across Europe remaining higher for longer. The full year performance for the Sterling and Euro share classes showed a share price total return of 29.17% and 21.17% respectively. The background to those performance numbers is covered in greater detail in the Investment Vehicle Manager’s report.

Due to the continued positive performance of the Investment Vehicle, the Company’s Sterling shares have at times traded at a small premium to their NAV and the Company was able to issue 3.1 million of Sterling treasury shares during 2024 in response to increased demand from retail and institutional shareholders. Demand has continued from 1 January until 26 March 2025 with a further 11,85 million Sterling shares having been issued. The Euro shares have also performed well with the discount closing during the year from 7.64% to 4.02% as at 31 December 2024. Since 1 January 2025 the discount has closed further from 4.02% to trade at close to par permitting the issuance of 100,000 Euro shares.

Continuing change and volatility

We have entered 2025 at a time of continuing change in the world, significantly more than experienced in a generation. It is clear that 2025 will be another year of significant change and volatility whether it be trade wars and tariffs, or varying inflation rates or armed conflicts.

The impact that these effects have on inflation and central bank interest rates is uncertain, with commentators having different perspectives and opinions based on a raft of imponderables. As a variable rate vehicle, how rates behave will influence the overall performance of the Investment Vehicle, noting of course that the opportunities sleeve of the Investment Vehicle provides interesting potential to increase the overall NAV through capital appreciation. Over the life of the Investment Vehicle this sleeve has generated approximately 15% gross annualised returns. However, despite these uncertain times and the increased volatility the Investment Vehicle Manager remains optimistic on performance.

One of the benefits of change, is that commercial businesses respond and take strategic action, this may include Merger and Acquisition (“M&A”) activity, capital investment, opening of new geographies etc. and all of this creates new or renewed need for financing, which creates new issuing opportunities for our Investment Vehicle. In addition, businesses that may be in some distress provide the opportunity to purchase secured loans at a discount to par. The Managers of our Investment Vehicle reviews these opportunities and will take advantage of the opportunity when they have insights that lead them to conclude there is a recovery story with material potential upside.

Overall demand for loans remains strong. There are growing new money issuances arising from increased M&A volumes where sponsors are taking advantage of strong market conditions to refinance more expensive private debt facilities into loans. We understand that this trend will continue to pick up through 2025. This should lead to a healthy supply of new issuance and continued growth of our market, and hence more investment opportunities.

Chairman’s Statement (continued)

Corporate Activities & Liquidity

Whilst the Board continues to make minor changes, such as to the Tender process in regards of placing, there have been no material changes in 2024, nor in the period since the year end.

Dividend Policy

On both Sterling and Euro classes a significantly enhanced dividend in respect of the fourth quarter of 2024 has been paid in February 2025 resulting in a yield for 2024 for Sterling share of 8.63% and Euro share of 7.32%.

The continued positive yield from the underlying Investment Vehicle have enabled the Board to raise the Company’s 2025 quarterly Sterling dividend while maintaining the Euro dividend in line with 2024.

At the current nominal target dividend levels of 9.25p per Sterling share and 7.25c per Euro share for 2025, based on the share price as at 25 March 2025 the Company’s Sterling and Euro shares offer cash yields of around 8% and 7% respectively.

Conclusion

The Company has had another successful year and the Board is excited by current and future prospects. That said, we are keeping a close eye on the financial system, political machinations and the impact that these have on the Company, and its performance and; the underlying issuers in which it invests.

Beyond what I have set out above, the Company’s directors have also been active, as always, in a number of key corporate areas, including continuing to enhance the Company’s approach to distribution as well as webinars targeted towards individual and institutional shareholders. I encourage you to read the individual committee reports which cover these matters in more detail. We have also redesigned these Annual Financial Statements and we hope they are more accessible and digestible for shareholders. I would like to take the opportunity to thank my fellow Directors, the portfolio management team at the Investment Vehicle Manager and; our advisors for their counsel, hard work, diligence and support during the year.

I look forward to providing shareholders with further updates and invite the expression of views and opinions about the Company, to be directed to the usual contact points.

Robert Kirkby
Chairman
26 March 2025

Investment Vehicle Manager's Report

02

Investment Vehicle Manager's Report

The Investment Vehicle Manager presents a review of the underlying Investment Vehicle for the year ended 31 December 2024 and the outlook for 2025.

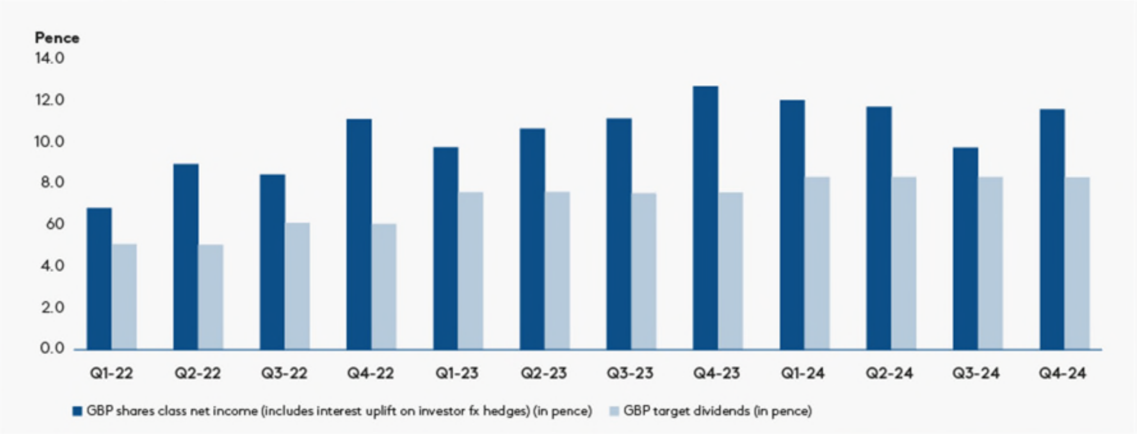
I. Performance during the year ended 31 December 2024

Overall, the Investment Vehicle Manager is pleased with both the NAV and share price performance during the year ended 31 December 2024. The Company's Sterling share class generated a 17.97% NAV return and the EUR share class generated a 16.88% NAV return. The total return has been driven by a combination of strong income generation, dynamic asset allocation and some realised and unrealised capital gains, all underpinned by strong credit selection. The Sterling share class generated a 29.17% share price return (including dividends), while the EUR share class generated a 21.17% share price return (including dividends).

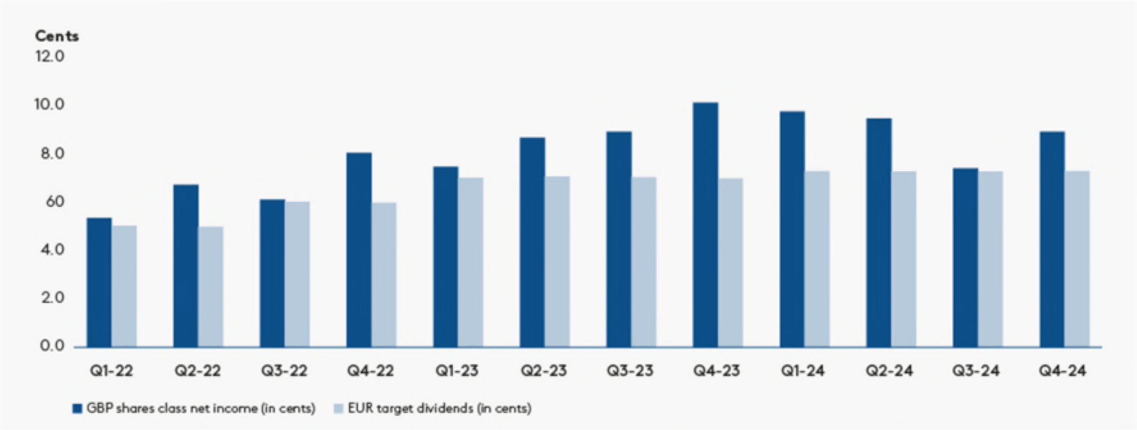
1. Income generation

Central banks across the world have started cutting interest rates, albeit at a much slower pace than the market was expecting at the beginning of 2024. In 2024, the Fed has cut interest rates by 1%, the ECB equally cut interest rates by 1% while the BoE has cut by 0.5% only. Central banks have continued to cut interest rates in 2025. Inflation, in particular in the US and in the UK, has remained stickier than many macro economists were expecting. On the other hand, economic growth remained robust in the US but came to a halt both in the UK and the Eurozone. We also saw a large number of refinancings of higher spread loans, where issuers could shave between 0.25% and 0.75% off their spreads given the improved outlook for capital markets. As a result of cuts in base rates and lower credit spreads, the running yield on the portfolio has dropped from 13.6% (GBP) / 12.5% (EUR) on 1 January 2024 to 12.4% (GBP) / 10.8% on 31 December 2024. As per the charts opposite, this still comfortably covered the dividends.

Investment Vehicle Net Cash Interest Income per Company Share (Annualised) – Sterling Share Class



Investment Vehicle Net Cash Interest Income per Company Share (Annualised) – EUR Share Class

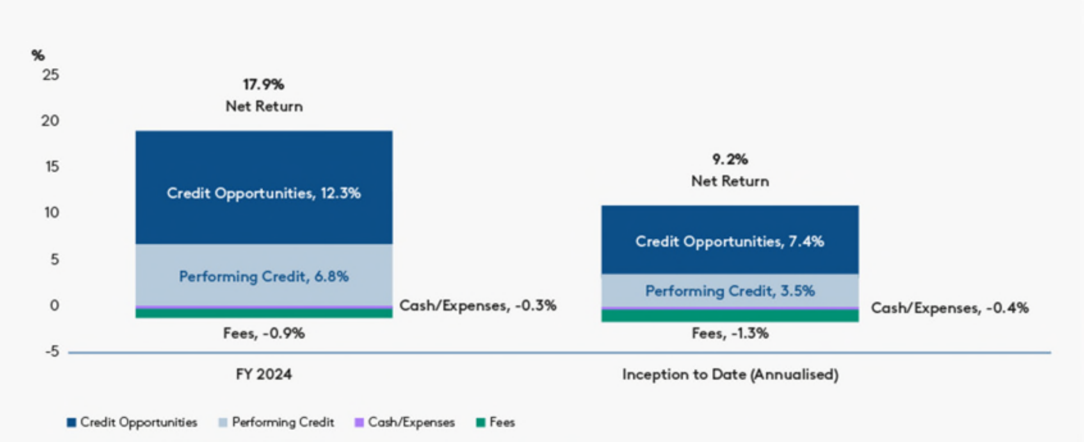


Investment Vehicle Manager's Report (continued)

2. Strong credit selection

On top of the income generation, the Investment Vehicle has also generated strong returns in the credit opportunities sleeve in the portfolio, which has been linked to the Growth in the NAV. Some of the largest drivers for the returns in the credit opportunities sleeve were Doncasters, Drive DeVilbiss and Keter Group.

Attribution by Strategy [4]

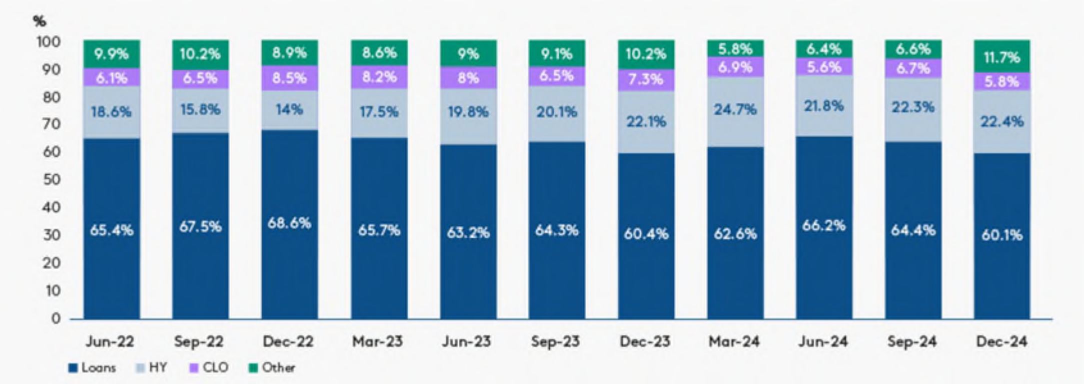


Doncasters continues to perform strongly on the back of both strong top line growth and disciplined cost control. Doncasters refinanced the first lien debt in 2024 and paid the first dividend to the new shareholders. Drive DeVilbiss' earnings came back to normalised levels after supply chain disruptions in 2022 and 2023. Keter continues to perform extremely well after lenders took the business through a debt-for-equity swap.

3. Dynamic portfolio management

Investment Vehicle Asset Class Allocation

Asset allocation continues to be dynamic and the Investment Vehicle Manager can allocate capital to the asset class with the best opportunities given the flexible mandate. The large majority of the fund remains invested in first lien, senior secured loans, with High Yield Bonds being the second largest component of the fund. The Investment Vehicle Manager has slightly reduced its exposure to CLO tranches over the year as spreads continue to tighten and the attractiveness of the asset class reduces. Finally, there was a slight increase in "other" towards year end which is a combination of both an increase in cash balances and subordinated positions.

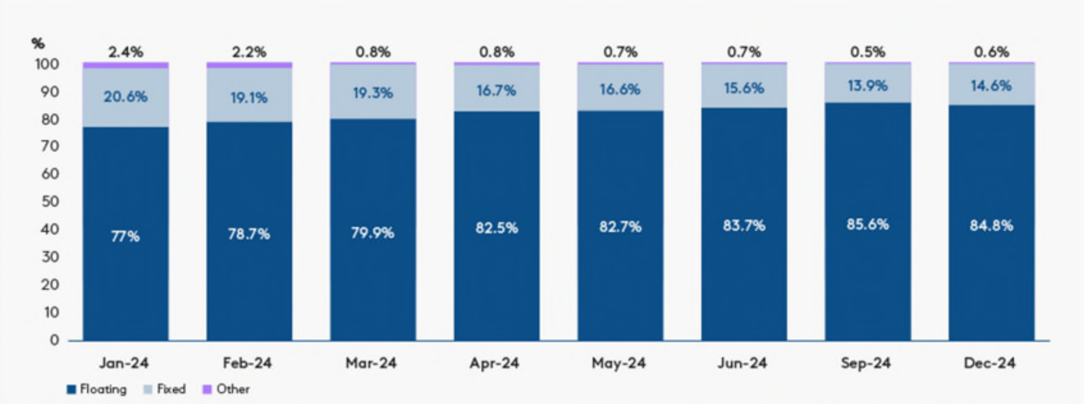


[4] Data as at 31 December 2024. All statistics are unaudited and subject to revision. The information set forth above was compiled from sources CVC Credit Partners believes to be reliable; however CVC Credit Partners makes no representations or guarantees hereby with respect to the accuracy or completeness of such data. For informational purposes only. Past performance is not an accurate indicator of current or future returns and potential investors should have no expectation that past performance can or will be replicated in the future.

Investment Vehicle Manager's Report (continued)

Despite base rate cuts by most central banks globally, the Investment Vehicle Manager reduced fixed rate exposure in the portfolio. As fixed rate high yield bonds tend to price based on forward looking expectations of base rates, fixed rate high yield bonds slowly became less attractive during the year as the thesis of rate cuts played out, while credit spreads in the floating rate loan market look attractive compared to the fixed rate high yield market.

Floating rate vs fixed rate exposure

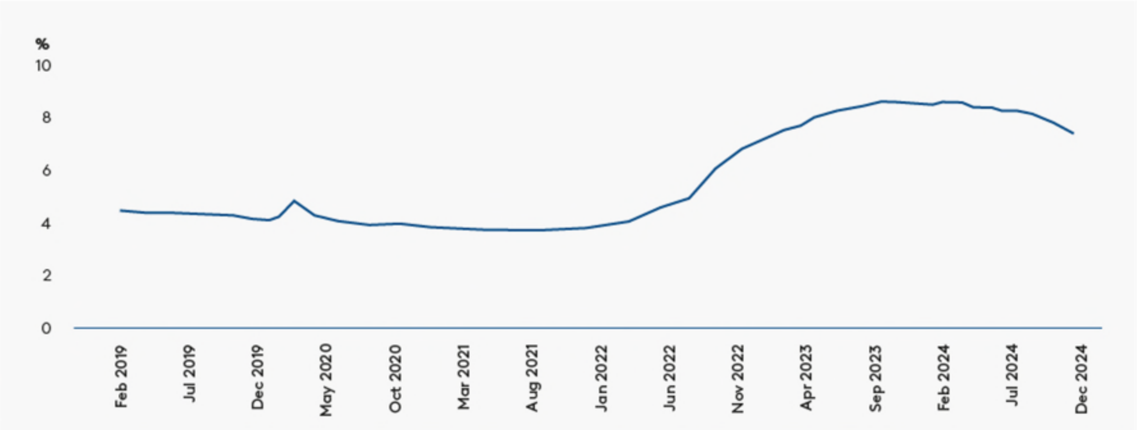


II. General market outlook for 2025

After two years of strong performance, the Investment Vehicle Manager remains positive about the outlook for 2025. Even though economic growth in Europe is expected to remain muted, and there is considerable uncertainty around the trade outlook under a Trump administration, loans as an asset class should remain relatively resilient. The Loan-to-Value ("LTV") on the portfolio is estimated at around 55% as of 31 December 2024, which provides considerable protection in case the macro outlook worsens.

The current yield on the S&P UBS WELLI[5] has come down in the last 12 months as a result of rate cuts and spread compression, but the all-in yield on the index remains attractive in the context of historic yields.

S&P UBS Western European Leveraged Loan Index – Current Yield [5]



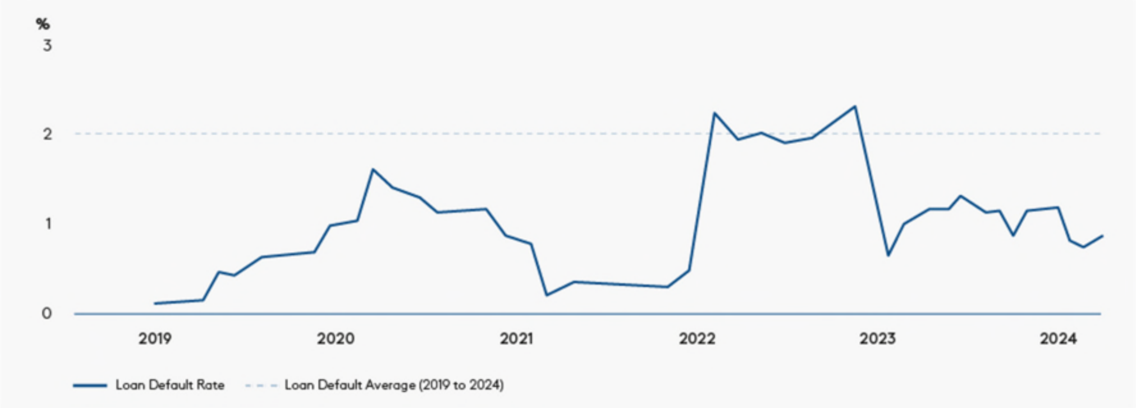
Macro indicators continue to point towards little to no growth in Europe. There is however considerable political uncertainty in Europe with elections in Germany and potential elections in France later this year. At the same time, a Trump administration with tariffs on exports from Europe to the US could be a further drag on already muted growth.

[5] Source: S&P UBS Western European Leveraged Loan Index (formerly Credit Suisse Western European Leveraged Loan Index). It is designed to mirror the investible universe of the western European leveraged loan market, with loans denominated in US Dollar and western European currencies. The Investment Vehicle Manager compares returns of the Company to this index. Current yield data as at 31 December 2024.

Investment Vehicle Manager's Report (continued)

Over the last 10 years, default rates in the European loan market have largely fluctuated between 0-2%, despite considerable headwinds from Covid 19, the Russian invasion of Ukraine, high inflation, supply chain issues, rising interest rates amongst others. For 2025, the headline default rate for the European market is expected to be higher than this 0-2% range, largely as a result of the French Telecom company SFR. This capital structure has been trading at stressed/distressed levels for several years, and accounts for c.1.2% of the S&P UBS WELLI. This will have an impact on the official default rate. However, away from SFR, the Investment Vehicle Manager expects underlying default rates to remain in the 0-2% range for 2025. It's worth noting that, at the time of writing, the fund had no exposure to SFR loans but did have some exposure to SFR 4.25% 2029 bonds in the credit opportunities sleeve of the fund. These bonds were purchased in July/August 2024 at an average price of 69.5. At the time of writing, these bonds were quoted at a bid price of 78.75, and all else equal, a default of SFR is not expected to lead to credit losses for the fund in 2025. This shows the proactive management style of the Investment Vehicle Manager in the credit opportunities sleeve.

S&P UBS Western European Leveraged Loan Index – Historical Default Rates [6]



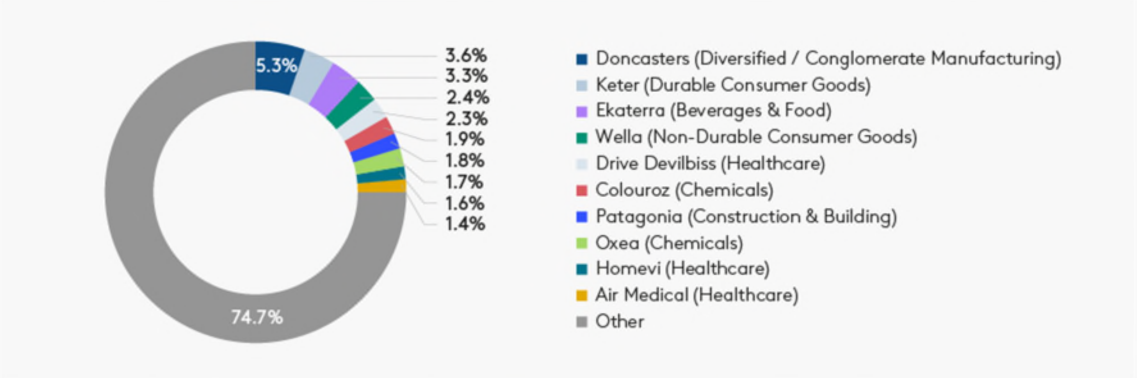
[6] Source: S&P UBS Western European Leveraged Loan Index (formerly Credit Suisse Western European Leveraged Loan Index). LTM default rates based on par amount. Data as at 31 December 2024.

Inflation continues to ease in most countries, but the medium term outlook for inflation remains difficult to predict given volatility in energy prices, a potential trade war and the ageing demographics across Europe. At the time of writing, the market is pricing in between 2 and 3 rate cuts of 0.25% by the Fed, another 2 rate cuts of 0.25% by both the ECB and the BoE. However, the market has been wrong on several occasions on how much Central Banks would cut.

III. Portfolio Composition

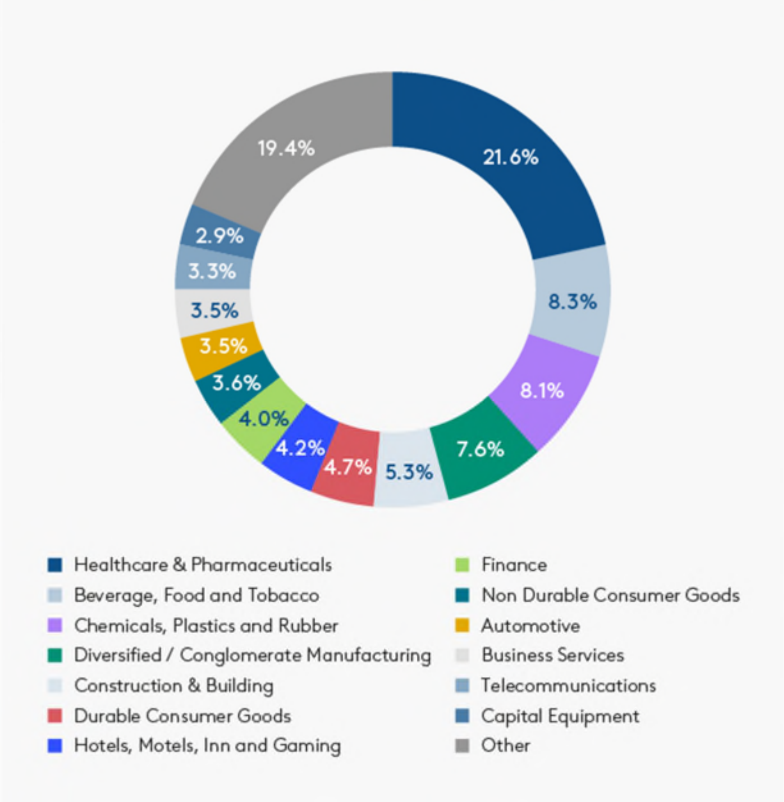
At the end of December 2024, there were 186 different issuers in the portfolio of the underlying Investment Vehicle, split 52% / 48% between performing credit and credit opportunities. Our largest single name exposure, Doncasters, was increased to 5.3% largely as a result of the increase in price levels. This position was reduced in January 2025 and at the end of January stood at c.3.0% of the NAV. The 75% portion below is composed of 176 out of a total of 186 issuers in the portfolio. Portfolio positioning as of 31 December 2024 shown below:

Top 10 Issuers Exposure

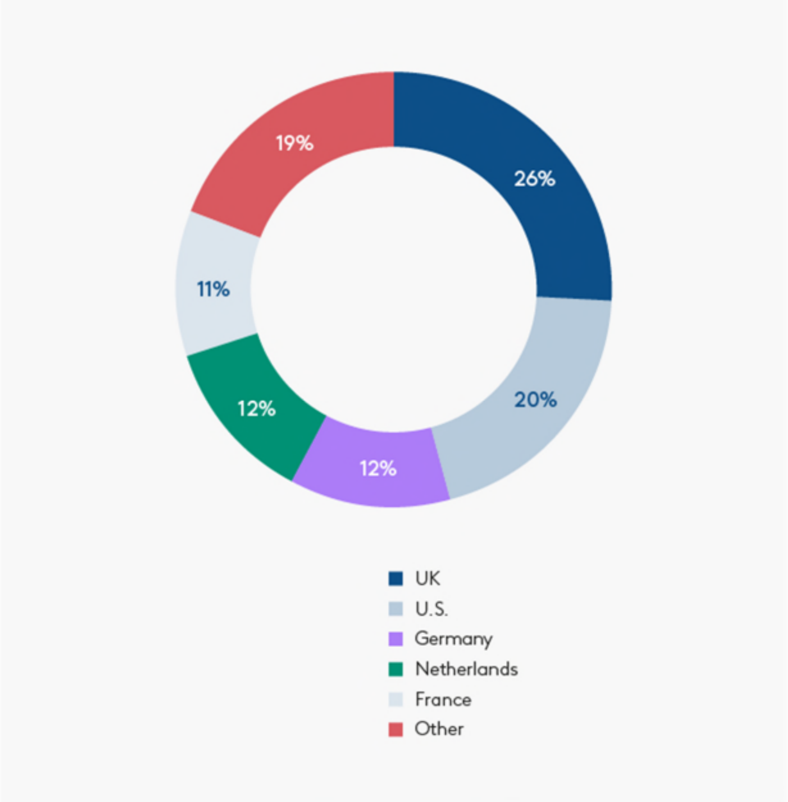


Investment Vehicle Manager's Report (continued)

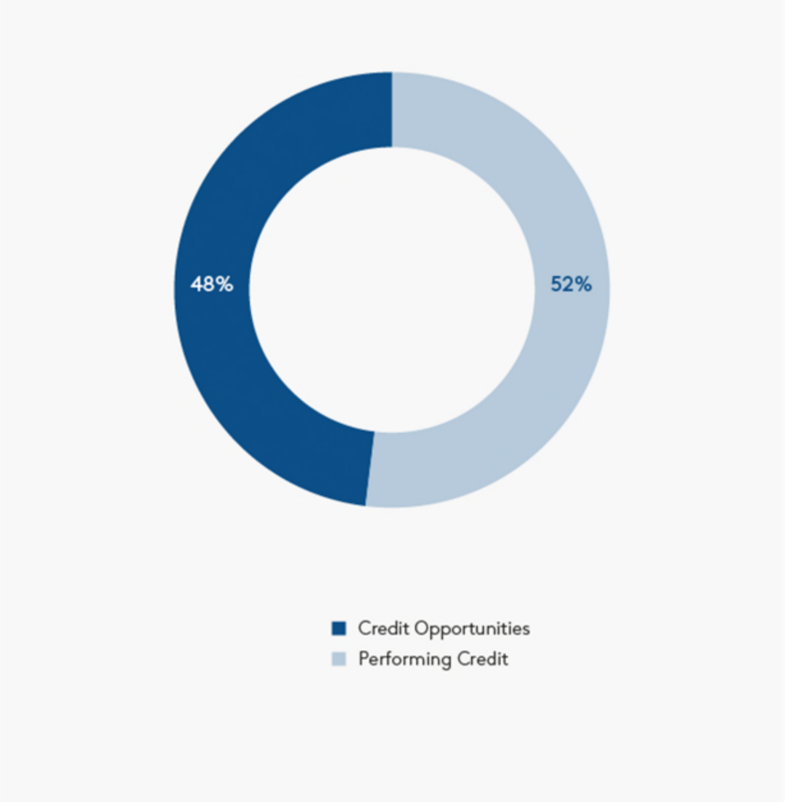
Industry Exposure [7 8]



Geographic Exposure [7]



Strategy Split [7]



[7] As at 31 December 2024
[8] Excludes CLO investments.

Investment Vehicle Manager's Report (continued)

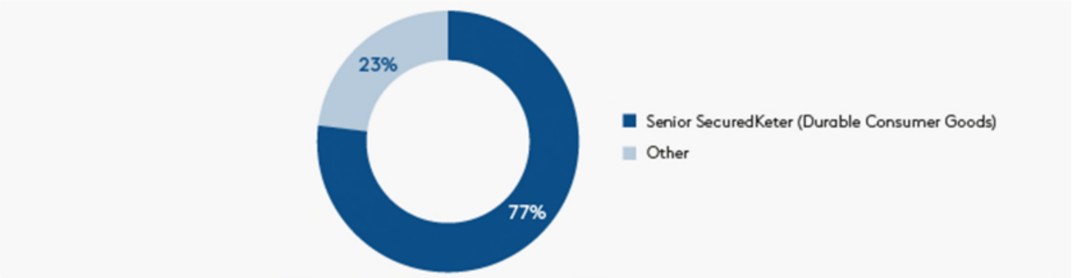
There are a couple of key themes we continue to focus on:

1. Large issuers with liquid capital structures where the underlying Investment Vehicle can trade in or out of the position if needed, with c.98% of the portfolio being marked to market and readily tradable and only c.2% of the portfolio marked internally.

Weighted Average Borrower Statistics [9]

Last twelve months Revenue	€2.8 billion
Last twelve months EBITDA	€516 million
Total Leverage [10]	5.4x
Enterprise Multiple[11]	9.7x
Loan to Value [12]	55%

2. Focus on senior secured part of the capital structure to ensure downside protection.



3. Focus on floating rate exposure. Given the slow progress in the battle to bring inflation down, we have reduced our fixed rate exposure and increased our floating rate exposure in the underlying Investment Vehicle, as per the chart on page 11. With the benefit of hindsight, this proved the right strategy as floating rate loans outperformed fixed rate bonds in 2024. We continue to see more value in loans compared to bonds at the time of writing but remain nimble and can adjust portfolios should this view change. As we are positioned in large, liquid instruments with an active secondary market, we can easily reposition the portfolio to add more fixed rate exposure.

Below are some other key characteristics for the portfolio as of 31 December 2024:

Portfolio Characteristics [13]

Current Yield [14]	**EUR**: 10.8% **GBP:** 12.4%
Yield to Maturity	EUR: 11.1% GBP: 12.7%
Weighted Average Price [15]	94.3

[9] Borrower statistics shown as a weighted average of the portfolio as at 31 December 2024. Excludes CLO, equity and warrant investments.
[10] Total debt divided by EBITDA.
[11] Enterprise value divided by EBITDA.
[12] Total leverage divided by Enterprise Multiple.
[13] Portfolio characteristics as at 31 December 2024.
[14] Includes Investment Vehicle leverage; yield is gross (pre-costs).
[15] Average market price of the portfolio weighted against the size of each position.

Investment Vehicle Manager’s Report (continued)

IV. Conclusion

We are pleased with the FY 2024 performance, with 17.97% NAV performance for the Sterling share class and 16.88% for the EUR share class. The Investment Vehicle generated a combination of strong income and capital growth, mainly through strong credit selection. We are also pleased with the share price performance which generated 19.65% in GBP and 12.77% in EUR (excluding dividends). For FY 2024, the total shareholder return was 29.17% in GBP and 21.17% in EUR (including dividends).

Despite the uncertain macro outlook, the Investment Vehicle Manager believes that the asset class offers a good combination of downside protection and elevated all-in yields. We remain comfortable that the holdings in the credit opportunities sleeve can provide further capital upside during 2025.

CVC Credit Partners Investment Management Limited
Investment Vehicle Manager
26 March 2025

Pieter Staelens
Partner, Portfolio Manager

Pieter Staelens joined CVC in 2018. He is a member of the Performing Credit team and based in London. Prior to joining CVC, he worked at Janus Henderson Investors in London where he was involved in various high yield strategies and a credit long/short strategy.

Pieter is a graduate of the Université Catholique de Louvain in Belgium. He also holds an MSc in Finance, Economics and Econometrics from the Cass Business School and an MBA from the University of Pennsylvania.

Mitchell Glynn
Managing Director, Assistant Portfolio Manager

Mitchell joined CVC in 2013. Mitchell is a member of the Performing Credit team and based in London. Prior to joining CVC, he was at Neuberger Berman, where he worked as an Associate from 2008 in the Non-Investment Grade team responsible for evaluating investments across a wide range of industries.

Mitchell holds an MSc in Business Economics and Finance from Loughborough University. Mitchell attained the Chartered Financial Analyst designation in 2012.

Past performance is not indicative of future results. There can be no assurance that the Investment Vehicle will be able to implement its investment strategy, achieve its investment objective or avoid substantial losses.

Refer to the Useful Information for Shareholders section (pages 89 to 99) *for the Index Disclaimer.*

Strategic Report

Strategic Report

This Strategic Report is designed to provide information about the Company's business and results for the year ended 31 December 2024. It should be read in conjunction with the Chairman's Statement and the Investment Vehicle Manager's Report which gives a detailed review of investment activities for the year and an outlook for the future.

Corporate summary

The Company is a closed-ended investment company limited by shares, registered and incorporated in Jersey under the Companies (Jersey) Law 1991 on 20 March 2013, with registration number 112635. The Company's share capital consists of Sterling shares and Euro shares which are denominated in Sterling and Euro respectively. The Company's Sterling shares and Euro shares are listed on the Official List of the UK Listing Authority and admitted to trading on the Main Market in the Equity Shares (Commercial Companies) (ESCC) category of the London Stock Exchange.

The Company is self-managed as its assets are managed by the Directors of the Company. The Directors of the Company have invested the net proceeds from share issues into the Investment Vehicle, which is managed by the Investment Vehicle Manager.

The Company is a member of the AIC and the ELFA. The Company is regulated by the Jersey Financial Services Commission.

Significant events during the year ended 31 December 2024

The Directors do not believe there have been any material significant events during the year.

Purpose

The Company is an investment company, and its scope is restricted to that activity. In that context, the Company's purpose is to provide investors with sustainable long-term returns by investing in a diversified portfolio of principally European corporate debt, held via the Investment Vehicle.

Investment Objective

The Company's investment objective is to provide shareholders with regular income returns and capital appreciation from a diversified portfolio of predominantly senior secured loans and other sub-investment grade corporate credit investments, held via the Investment Vehicle.

Investment Policy

The Company's investment policy is to invest predominantly in debt instruments issued by companies across various industries domiciled, or with material operations, in Western Europe. These investments are mainly focused on the senior secured obligations of such companies, but investments are also made across the capital structure of such companies.

The Company invests all its assets, save for a working capital balance, in the Investment Vehicle. The investment policy and the Investment Vehicle's investment limits can be found on the Company's website: https://ig.cvc.com/overview/investment-policy/.

KPIs

The Board meets regularly to review performance and risk against several key measures. The Company considers the KPIs to be share price total return, dividend yield, NAV total return and the share price premium/discount to NAV. The KPIs are set out in the Financial Highlights and Performance Summary section. The KPIs are considered to be APMs and further details can be found on pages 96 to 98.

Share price total return and NAV total return

The Board regularly reviews and compares the NAV and share price of the Company. The Directors regard the Company's NAV total return as being the overall measure of value delivered to shareholders over the long-term.

Share price total return reflects both changes to the Company's share price and dividends paid to shareholders. NAV total return reflects both NAV growth of the Company and dividends paid to shareholders.

Dividend yield

The dividend yield is the dividend per Sterling and Euro share expressed as a percentage of the Sterling and Euro share price (bid price).

Strategic Report (continued)

Premium/discount

The discount management policy of the Company is primarily driven by the tender mechanism process, which enables shareholders to realise a proportion of their shareholding on a NAV basis. The Board also monitors the discount over the prior 12 month period and the total NAV of the Company.

Other measures

In addition to the above KPIs, the Board meets regularly to review the performance and risk against the below other measures:

Ongoing charges

For the year ended 31 December 2024, the ongoing charges ratio:

- excluding the Investment Vehicle operating expenses and management fee, was 0.54% for the Company's Sterling shares (2023: 0.51%) and 0.55% for the Company's Euro shares (2023: 0.51%);
- including the Investment Vehicle operating expenses and management fee, was 1.79% for the Company's Sterling shares (2023: 1.70%) and 1.82% for the Company's Euro shares (2023: 1.75%).

Ongoing charges are considered to be an APM and further details can be found on page 99.

Diversification

The Directors review the geographical, industry, asset and currency diversification of the underlying Investment Vehicle to ensure that holdings are in line with the Investment Vehicle's prospectus and to monitor the diversification risk of the underlying portfolio. Refer to the Investment Vehicle Manager's Report for analysis of the Investment Vehicle portfolio and the 'Investment Vehicle portfolio' section in Useful Information for Shareholders, for further details regarding the Investment Vehicle's risk diversification policies.

Default rates in Europe and US

The Directors regularly discuss historic and emerging default risk in Europe and the US with the Investment Vehicle Manager to help assess and understand the performance and prospective performance of the Company. Performance of the Company may be affected by the default or perceived credit impairment of investments held by the Investment Vehicle. A withdrawal of investment capital, an economic downturn and/or rising interest rates could severely disrupt the European and US markets which could impact the ability of issuers to repay principal and interest amounts and could adversely affect the value of the Company's investment in the Investment Vehicle and by extension, the Company's NAV and/or the market price of the Company's shares. The Directors hold at least quarterly discussions with representatives of the Investment Vehicle Manager to assist in monitoring the above indicator. Whilst also recognising the limitations of this measure, the Directors also consider loss given default as a more meaningful measure of the Investment Vehicle Manager's credit capability.

Life of the Company

The Company has an indefinite life. In accordance with the Articles of Association, the Directors are required to propose an ordinary resolution that the Company continues its business as a closed-ended investment company (the "Continuation Resolution") if the following occur:

i) the Company's total NAV falls below €75 million; or

ii) the Directors are required to convene 'class closure meetings' for all classes of shares in issue. A class closure meeting is required if a share class is delisted for any reason, or, if in any rolling 12-month period, the average daily closing market price (as derived from the market data published by Bloomberg or any successor market data service thereto) of any class of shares during such 12-month period is 10% or more below the average NAV per share (calculated inclusive of current year income).

If a Continuation Resolution is not passed, the Directors are required to put forward proposals within six months for the reconstruction or reorganisation of the Company to the shareholders for their approval.

These proposals may or may not involve winding up the Company and, accordingly, failure to pass the Continuation Resolution will not necessarily result in the winding up of the Company. A failure to pass a Continuation Resolution may result in the redemption by the Company of its entire holding of PECs.

During the year ended 31 December 2024, none of the conditions were met that required the Company to propose a Continuation Resolution.

Strategic Report (continued)

Going concern

Under the Listing Rules, the AIC Code and applicable regulations, the Directors are required to satisfy themselves that it is reasonable to assume that the Company is a going concern as at the date of approval of the financial statements.

In making this assessment, the Directors have reviewed the Company's budget and cash flow forecast for the next 12 months from the date of approval of the financial statements. The assessment also incorporates stress testing, including evaluating the impact on the Company if it received applications to redeem shares in the next 12 months up to the maximum allowable under the tender mechanism. On the basis of this review, and after making due enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the period to 26 March 2026, a period of twelve months from the date of approval of the financial statements.

Viability Statement

Under the AIC Code, the Directors are required to make a Viability Statement which explains how they have assessed the prospects of the Company, over what period they have done so and why they consider that period to be appropriate, taking into account the Company's current financial position and principal risks. The principal risks faced by the Company are described on pages 20 to 24.

The prospects of the Company are driven by its investment objectives, investment policy and investment strategy as summarised on page 17, and by the conditions existing in the markets in which the Company's ordinary shares trade and in which the Investment Vehicle invests and financial markets generally.

In assessing the prospects of the Company, the Directors have, in addition to taking into account the principal and emerging risks facing the Company, taken into account the Company's current financial position. Their assessment has included a robust process encompassing an examination of the:

i) Investment Vehicle Manager's view of the investment opportunity and the conditions existing in the markets in which the Investment Vehicle is exposed and financial markets generally, including scenario analysis, stress tests and volatility and return comparisons;

ii) liquidity and fundamental prospects of the underlying positions of the Investment Vehicle;

iii) extent to which the Company is exposed to gearing;

iv) liquidity of the PECs in which the Company invests; and

v) impact on the Company's viability under scenarios stemming from the application of the tender mechanism (as detailed on page 84).

Based on the results of their assessment of the above processes, and in the absence of any unforeseen circumstances, the Directors have concluded that a period of three years from the date of this statement is an appropriate period over which to assess the prospects of the Company as the principal risks, mitigating controls and investment strategy and policy are not expected to materially change over this period. This reflects the potential effect of significant redemption requests received from shareholders under the tender mechanism, coupled with no further issuances of ordinary shares by the Company, before a Continuation Resolution would be proposed as a result of the NAV falling below €75 million.

The Directors have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due within at least this period of assessment. The Directors are also of the opinion that given the information available to them at the date of these financial statements, the Company will be able to continue to conduct its commercial activities in a manner consistent with its investment objectives for the foreseeable future.

Social and environmental responsibility

Refer to the ESG Committee Report for details on the Company's social and environmental responsibility.

Investment Vehicle Manager monitoring

The Board continues to believe that the investment strategy and policy adopted by the Investment Vehicle is appropriate for and is capable of meeting the Company's current objectives. It is the Board's assessment that the Investment Vehicle Manager's resources are appropriate to properly manage the Investment Vehicle's portfolio in the current and anticipated investment environment.

This Strategic Report was approved by the Board of Directors on 26 March 2025 and signed on its behalf by:

Robert Kirkby
Chairman
26 March 2025

Principal Risks and Uncertainties

04

Principal Risks and Uncertainties

When considering the distribution policy and total return of the Company, the Directors take account of the risks which have been taken in order to achieve that return. The Directors have carried out a robust assessment of the principal and emerging risks facing the Company including those which would threaten its business model, future performance, solvency or liquidity. An overview of the principal and emerging risks and uncertainties is set out below:

Principal Risks	Mitigating Factors
Supply and demand	
The value of the investments in which the Company indirectly invests are affected by the supply of primary issuance and secondary paper and the continued demand for such instruments from buy side market participants. A change in the supply of, or demand for, underlying investments may materially affect the performance of the Company.	The Company has no control over the supply and demand characteristics of the leveraged finance markets. However, the Directors are in regular communication with the Investment Vehicle Manager and receive monthly performance reports and independent data to assist in monitoring the performance of the Investment Vehicle and the supply and demand characteristics of the asset class. It is the Investment Vehicle's performance which is the main driver of the Company's performance.
Geopolitical factors	
There are many geopolitical factors at play at a level considerably above those experienced in the earlier life of the Investment Vehicle. These range from continuing regional conflicts, the shift away from globalisation, the increasing prevalence of tarrifs and other protectionist measures being introduced by countries. Such matters and uncertainty could impact on global trade, confidence and consequently have an impact on inflation and its trajectory which may require central banks to respond accordingly.	The Company's exposure to the potential impacts of the risks identified is limited by its widely diversified portfolio and its concentration in large scale issuers that are well placed to withstand such challenges. The Board will continue to dialogue with the Investment Vehicle Manager around such non-portfolio risks and will report any material changes to its assessment as appropriate.

Principal Risks and Uncertainties (continued)

Principal Risks	Mitigating Factors
Credit risk The Investment Vehicle invests predominantly in sub-investment grade corporate issuers and therefore credit risk is greater than would be the case with investments in investment grade issuers.	The Company and the Investment Vehicle have investment limits and risk diversification policies in place to mitigate individual issuer credit risk. Refer to the Company's website: ig.cvc.com/overview/investment-policy/ for details of the Investment Vehicle's investment limits and the Investment Vehicle Manager's Report for analysis of the Investment Vehicle portfolio.
Liquidity The Company relies on the periodic redemption mechanism offered by the Investment Vehicle to realise its investment in PECs, and on that mechanism operating in a timely and predictable manner. The Investment Vehicles underlying investments are predominantly traded (circa 98%) at the Investment Vehicle level. However, were significant liquidity required at the Company level this would require weeks rather than days to process given the legal entities involved and may have a negative impact on the Company's ability to effectively conduct its periodic redemption activities.	The Board holds periodic meetings at which discussion of the Investment Vehicle's portfolio takes place. This includes consideration of portfolio liquidity.
Foreign exchange risk Foreign exchange risk is the risk that the values of the Company's assets and liabilities are adversely affected by changes in the values of foreign currencies by reference to the Company's base currency, the Euro. The foreign exchange risk for the Investment Vehicle's assets and liabilities	The effect of foreign exchange risk at the Investment Vehicle level is actively managed by the Board of the Investment Vehicle and its advisors through hedging arrangements as detailed in note 7.6. The Board monitors the NAV per share divergence between the Sterling and Euro share classes to identify the impacts of the foreign exchange movement and interest rate differentials between the two share classes.

Principal Risks and Uncertainties (continued)

Principal Risks	Mitigating Factors
Macroeconomic factors Adverse macroeconomic conditions may have a material adverse effect on the performance of the Investment Vehicle's underlying assets and liabilities and on the ability of underlying borrowers to service their ongoing debt obligations. Changes in the level of short-term risk-free rates in the Company's chosen markets has a direct impact, both positively and negatively, on the performance of the Company, depending on the direction of such rates, given that the Investment Vehicle invests in predominantly floating rate assets.	The Board is reliant on the active portfolio management of the Investment Vehicle Manager which monitors and manages each investment on an ongoing basis. Part of this monitoring includes considering macroeconomic, credit specific, event-driven and environmental and social factors in respect of each investment. This analysis helps inform the Investment Vehicle Manager's decision to buy, sell or hold each investment. The Directors are in regular communication with the Investment Vehicle Manager and receive monthly performance reports to assist in monitoring these factors. The Company's investment policy is to invest in predominantly floating rate assets. As a result, the Company's performance will improve in absolute terms during times of rising interest rates and will decline during times of declining interest rates. The Investment Vehicle does not seek to speculate on the direction of such rates, or hedge its predominantly floating rate exposure, as this would be inconsistent with its and the Company's investment policy.
Capital management risks Shareholders may seek to redeem their shareholdings in the Company using the Company's periodic tender arrangements, subject to restrictions as detailed in note 11, which could result in the NAV of the Company falling below €75 million (aggregate of GBP and EUR share classes) and as such, triggering the requirement for a Continuation Resolution. There is a risk that a Continuation Resolution would not be passed which could result in the redemption by the Company of its entire holding in the Investment Vehicle.	The Company has placed restrictions within the tender mechanism that limit the number of shares that shareholders can redeem at each tender (refer to note 11 for details of these restrictions). The Board performs an annual modelling exercise to determine whether consecutive tender requests would prompt a Continuation Resolution and actively monitors the level of tenders throughout the year. The Company engages with tendering shareholders to understand the rationale behind significant tender requests. The Board and representatives of the Investment Vehicle Manager proactively engage with current and prospective shareholders and seek to understand their views on the Company. The engagement and monitoring in place by the Board allows the Company to be proactive in identifying any common themes driving significant tender requests.

Principal Risks and Uncertainties (continued)

Principal Risks	Mitigating Factors
ESG Matters	
There is limited risk of reputational damage stemming from the Company's environmental footprint, as the Company has no Scope 1 (direct) or Scope 2 (indirect) emissions, given that it has no offices or company vehicles. There is limited Scope 3 (indirect) GHG emissions such as Director business travel and purchased goods and services (suppliers). There is a risk of the Company's disregard of its use of social capital and related activities and disclosures failing to meet the standard expected by shareholders and regulators. There is a risk of financial losses stemming from climate-related factors adversely impacting the capital value of securities held within the Investment Vehicle portfolio and/or the ability of those companies whose securities are held to meet their financial obligations thereunder. There is a risk of reputational damage stemming from the Company's association with companies whose securities are held within the Investment Vehicle portfolio and whose ESG policies, activities or disclosures fail to meet the standards expected by stakeholders.	The Company continues with its programme to better understand the views and expectations of stakeholders regarding ESG-related matters. This is aided by Vanessa Neill who is a consultant specialising in sustainability and is Chair of the ESG Committee. The Company's ESG Committee engages with the Investment Vehicle Manager on sustainability matters on a regular basis to ensure that the Company's ESG strategy and policies continue to align with CVC Group's Responsible Investment Policy, which outlines the Firm's approach to integrating the evaluation of material sustainability considerations into the investment process. The Investment Vehicle Manager uses CVC Credit Partners proprietary ESG scorecard during the investment due diligence process as well as ESG assessments from external providers such as Sustainable Fitch.
Taxation	
There is a risk that revisions to the taxation of the Investment Vehicle through the introduction and implementation of new or amended tax legislation will impact its ability to continue to deliver current after-tax returns to the Company.	The Board and the Investment Vehicle take ongoing advice on all tax compliance matters relating to the Company and the Investment Vehicle as necessary and keep all such developments under review.

The Company may be exposed to additional risks not disclosed above or within the Annual Financial Report as they are not considered by the Board to be principal or emerging risks. The Company assesses risks, and the mitigation thereof, on an ongoing basis and as part of its formal business risk assessment process.

Section 172(1) Statement

Section 172(1) Statement

Through adopting the AIC Code, the Board acknowledges its duty to comply with section 172 of the UK Companies Act 2006 to act in a way that promotes the success of the Company for the benefit of its members as a whole, having regard to (amongst other things and to the extent applicable):

a. the consequences of any decision in the long-term;
b. the interests of the Company's employees;
c. the need to foster business relationships with suppliers, customers and others;
d. the impact on community and environment;
e. the maintaining of reputation for high standards of business conduct; and
f. acting fairly between members of the Company

The Board considers this duty to be inherent within the culture the Company and a part of its decision-making process.

Information on how the Board has engaged with its stakeholders and promoted the success of the Company, through the decisions it has taken during the year, whilst having regard to the above, is outlined below. The Company has no employees.

Section 172(1) Statement (continued)

Stakeholder engagement

Who	Why we engage	How we engage	Outcome
Shareholders	Shareholders enable the Company to give effect to its purpose through the commitment of risk capital. Their continued support is imperative to the effective implementation of the Company's investment strategy.	The Company's monthly fact sheets and market announcements are published on the Company's website (ig.cvc.com). More detailed communications are made to shareholders on a biannual basis through the publication of the half-yearly and annual financial reports. There is increased focus on communications with retail investors. Representatives of the Investment Vehicle Manager hold regular meetings with both current and potential shareholders, whose views are communicated to the Board, and periodically, host investor events. The Board, in conjunction with the input of the corporate brokers, has arranged, and will continue to periodically arrange, meetings with shareholders for the primary purpose of remaining cognisant of shareholder views on a wide range of topics relevant to their shareholding in the Company.	Shareholders receive relevant information allowing them to make informed decisions about their investments. Shareholders' views inform Board decisions. The Board also seeks to address pertinent shareholder queries in its half-year and annual financial reports, together with any other communications or events during the year.
Investment Vehicle Manager	The Board needs to inform itself as to the effectiveness of the operation of the Investment Vehicle and its investment programme. In addition, the Board works with the Investment Vehicle Manager to support the investor relations function.	The Investment Vehicle Manager reports on the performance of the Investment Vehicle to the Board on a regular basis. In addition, the Board meets with representatives of the Investment Vehicle Manager on a regular basis to develop and monitor its sales and marketing strategy and to discuss strategic and market issues generally.	The Company is well managed, receives appropriate and timely advice and guidance and has an appropriate, open and transparent relationship with the Investment Vehicle Manager.

Section 172(1) Statement (continued)

Who	Why we engage	How we engage	Outcome
AIC and ELFA	The Board is informed of emerging legislative and regulatory developments, market conditions and ESG initiatives undertaken by the AIC and ELFA for their members. The Company gets to interact with the wider investment community, thus identifying trends and potential opportunities.	The Company is a member of the AIC and Board members attend AIC sponsored events as well as contributing to consultation e.g. the costs disclosure matters. The Company and the Investment Vehicle Manager are both members of ELFA and participate in ELFA sponsored events. Ms Neill is a member of AIC's ESG Forum and ELFA's ESG Committee.	The Board and the Investment Vehicle Manager are well informed and positioned to identify market trends as well as expand the network of the Company. The AIC is also positioned to support and promote investment companies including the Company. The AIC ESG Forum provides advice to the AIC on developments which could impact investment companies.
Third-party service providers	The Board receives operational, compliance and associated reports and gets satisfied as to the effective operation of the services, systems and internal controls operated by service providers on behalf of the Company.	The Board oversees the performance of third-party service providers through the Management Engagement Committee. Refer to page 48 for further information.	The Company's operations and internal controls are effective, efficient and compliant.
Wider society	The Company recognises that it has a limited environmental footprint and an impact on wider society.	The Board meets with stakeholders to remain current in their understanding of stakeholder views relating to environmental and social matters.	The Board continues to support the environmental and social impact being made by Jersey National Park, as demonstrated in the decision to engage with them, having fulfilled our commitment to the value of £100,000 over a five-year period, starting in 2020.

Principal decisions

The principal decisions outline decisions taken during the year, which the Board believes have the greatest impact on the Company's long-term success. The Board considers the factors outlined under section 172 and the wider interests of stakeholders as a whole in all decisions it takes on behalf of the Company.

The Board did not make any principal decisions during the year ended 31 December 2024.

Board Members

Board Members

All the Directors are independent and non-executive.

Robert Kirkby

Chairman

Appointed:
22 September 2023

Robert Kirkby is a former advisory partner at KPMG Channel Islands, a fellow of the Institute of Chartered Accountants and a Jersey resident. His experience with the Big 4 accountancy firms over 20 years included a number of areas from transactions, liquidations and regulation. He has a good understanding of the various dynamics in mergers and acquisitions and in particular the financing structures that result. He is also a director of a LSE listed fund Abrdn Asian Income Fund Limited.

Stephanie Carbonneil

Chair of the Nomination and Remuneration Committee and SID

Appointed:
21 February 2019

Stephanie is a seasoned finance professional with extensive experience in investment management and distribution. As the head of investment trusts and managing director at Allianz Global Investors in London, she oversees circa EUR 4 bn business, handling sales, marketing, accounting, finance and company secretaries' desk. She previously served as investment trusts business development manager at Schroders for several years. Stephanie has 14 years of experience in investment and was a senior investment manager at AXA in the UK and at Pictet in Geneva, as a multi asset funds of funds investment manager.

Philip Braun

Chair of the Audit Committee

Appointed:
14 September 2023

Philip Braun is a former lead audit partner at BDO in Jersey. He is a fellow of the Institute of Chartered Accountants and is a Jersey resident. Philip has a number of non-executive appointments including being Director and Chair of the Audit and Valuation committees of Digital Infrastructure 9 Plc, Director and Chair of the Audit and Risk Committee of GCP Asset Backed Income Fund and is a director and a member of the Audit and Risk Committees of the International Stock Exchange Limited.

Esther Gilbert

Chair of the Management Engagement Committee

Appointed:
23 September 2022

Esther is a consultant specialising in client strategy for asset managers, working with global companies to enhance their position in the UK market. As founder of the Capital Allocator Forum Esther seeks to mitigate frictions between product sellers and selectors.

Esther is a CFA Charterholder and has an extensive background as an investor across fixed income, multi-asset and alternatives strategies. She has a particular interest in corporate culture and sustainability, as well as offering the client lens to various scenarios.

Vanessa Neill

Chair of the ESG Committee

Appointed:
11 January 2022

Vanessa is an experienced Sustainability consultant and advisor. She is a Co-Founder of Ochre Partners, a consultancy advising private and public organisations on sustainability and ESG strategy, operations and communications. Vanessa is a member of the AIC ESG Forum and a member of ELFA ESG Committee.

Vanessa has a Postgraduate Masters Level Diploma from the Cambridge Institute for Sustainable Leadership (CISL). Prior to her studies at CISL, Vanessa was a Partner at Kekst CNC, a global strategic communications consultancy, where she co-led the firm's ESG and Sustainability Steering Group. From 2009 to 2018, Vanessa was Head of Communications for the Investment Banking and Capital Markets Division at Credit Suisse (now S&P UBS). Vanessa is a former Trustee and current Sustainability Advisor to the Queen's Club Foundation.

Directors' Report

Directors' Report

The Directors present the Annual Financial Report for the Company for the year ended 31 December 2024. The results for the year are set out in these accounts.

Dividend Policy

The Company's dividend policy is to generate consistent income distributions to shareholders, at levels consistent with prevailing market conditions. During the year ended 31 December 2024, the annual dividend target was £0.0825 and €0.0725 per Sterling and Euro share respectively.

Share capital and voting rights

The Company has two classes of ordinary shares, being Sterling shares and Euro shares.

	Sterling shares	Euro shares	Sterling shares held in treasury	Euro shares held in treasury
31 December 2024	121,274,157	84,371,105	247,192,784	62,335,905
31 December 2023	118,916,157	96,553,753	247,533,235	52,747,703

Each Sterling share holds 1.17 voting rights and each Euro share holds 1 voting right.

	Sterling shares voting rights	Euro shares voting rights	Total voting rights	Sterling shares percentage of voting rights	Euro shares percentage of voting rights
31 December 2024	141,890,764	84,371,105	226,261,869	62.71%	37.29%
31 December 2023	139,131,903	96,553,753	235,685,656	59.03%	40.97%

During the year ended 31 December 2024, 3,100,000 (2023: nil) Sterling treasury shares and no (2023: nil) Euro treasury shares were issued and; 2,759,549 (2023: 11,026,640) Sterling shares and 9,588,202 (2023: 7,979,914) Euro shares were redeemed as part of the tender mechanism and subsequently held by the Company in the form of treasury shares.

Acquisition of own shares

The Board has the authority to purchase its own shares under the terms and conditions of the tender mechanism as summarised in note 11. Details of the shares tendered and repurchased during the year are also detailed in note 11. At the AGM held on 30 April 2024, the Company renewed the general authority to purchase in the market up to 14.99% of the shares in issue. This authority expires on the date of the 2025 AGM. During the year the Company did not purchase any shares in the market. The Directors will seek renewal of these authorities from shareholders at the Company's 2025 AGM on 29 April 2025.

Directors' interests

The Directors held the following shares in the Company:

	Number of Sterling shares held		Number of Euro shares held	
Director	As at 31 December 2024	As at 31 December 2023	As at 31 December 2024	As at 31 December 2023
Robert Kirkby [16]	61,660	8,977	-	-
Stephanie Carbonneil	36,763	36,763	-	-
Philip Braun	21,520	-	-	-
Esther Gilbert	19,726	12,153	-	-
Vanessa Neill	31,445	22,585	-	-
Richard Boléat [17]	n/a	30,000	n/a	16,590
Mark Tucker [18]	n/a	50,000	n/a	-

[16] Robert Kirkby assumed the role of Chairman on 30 April 2024.
[17] Richard Boléat retired from the Board on 30 April 2024.
[18] Mark Tucker retired from the Board on 31 December 2023.

Directors' Report (continued)

Directors' interests (continued)

Between 1 January 2025 and 26 March 2025, the following shares were acquired by Directors:

Director	Date	Number of Sterling shares
Stephanie Carbonneil	5 February 2025	20,243
Esther Gilbert	11 February 2025	6,935

No Director has any interest in any contract to which the Company is a party.

Shareholders' interests

In accordance with Chapter 5 of the Disclosure and Transparency Rules (which covers the acquisition and disposal of major shareholdings and voting rights), the following shareholders had an interest of greater than 5% in the Company's total of Sterling and Euro issued share capital as at 31 December 2024:

	Percentage of total voting rights (%)
Investec Wealth & Investment Ltd	10.51
Mizrahi Tefahot Bank	10.03
Brewin Dolphin Wealth Management Ltd (Ireland)	8.40
Clearstream Banking (Luxembourg)	7.29
Hargreaves Lansdown Asset Management	7.16
Canaccord Genuity Wealth Management (CI)	5.09

Between 1 January 2025 and 26 March 2025 the Company did not receive any notifications.

Disclosures required under UKLR 6.6.1R

The Financial Conduct Authority's Listing Rule 6.6.1R requires that the Company includes certain information relating to arrangements made between a controlling shareholder and the Company, waivers of Director's fees, and long-term incentive schemes in force. The Directors confirm that there are no disclosures to be made in this regard.

Events after the reporting date

The Directors are not aware of any matters that might have a significant effect on the Company in subsequent financial periods not already disclosed in this report or the attached financial statements under note 17.

Statement as to disclosure of information to the auditor

The Directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware and that they have taken the steps that they ought to have taken as Directors to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Fair, balanced and understandable

In assessing the overall fairness, balance and understandability of the Annual Financial Report, including the financial statement, the Board has performed a comprehensive review to ensure consistency and overall balance.

AGM

All resolutions proposed at the 2024 AGM held on 30 April 2024 were passed without significant votes cast against any of the resolutions. The Company will hold the 2025 AGM on 29 April 2025. The notice and details of the resolutions being proposed will be circulated in a separate letter and will be available shortly afterwards on the Company's website (ig.cvc.com).

Directors' Report (continued)

Corporate Governance Statement – Compliance with the AIC Code

The Company is listed on the London Stock Exchange and is therefore required to report on how the principles of the UK Code have been applied. By reporting against the AIC Code, the Company has met its obligations under the UK Code and the associated disclosure requirements under paragraph 14.3.30R of the Listing rules, and as such does not need to report further issues contained in the UK Code which are not applicable to the Company. Being an investment company, a number of the provisions of the UK Code are not applicable as the Company has no executive directors or internal operations.

The AIC Code is available on the AIC website https://www.theaic.co.uk. The Company has complied with all the principles and applicable provisions of the AIC Code during the year ended 31 December 2024.

As the Company is self-managed, provisions pertaining to the relationship with managers are not applicable to the Company. As the Company is not newly incorporated, provisions pertaining to new companies are not applicable.

Set out below is where stakeholders can find further information within the Annual Financial Report about how the Company has complied with the various principles and provisions of the AIC Code.

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Strategy	Page 17
Values and culture	Page 37
Stakeholder Engagement	Pages 27 - 28

2. Division of Responsibilities	
Director Independence	Page 37
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3. Composition, Succession and Evaluation	
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4. Audit, Risk and Internal Control	
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Principal and Emerging risks	Pages 21 - 24
Risk management and internal control systems	Page 40
Going concern statement	Page 19
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5. Remuneration	
Directors' Remuneration Report	Page 42

Directors’ Report (continued)

Directors’ Statement of Responsibilities

The Directors are responsible for preparing the Annual Financial Report and financial statements in accordance with applicable Jersey law and IFRS as adopted by the European Union.

Jersey Law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company at the end of the year and of the profit or loss of the Company for that year.

In preparing these financial statements, the Directors should:

- select suitable accounting policies and apply them consistently;
- make judgments and estimates that are reasonable;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping proper accounting records that disclose, with reasonable accuracy at any time, the financial position of the Company and enable them to ensure that the financial statements comply with the Companies (Jersey) Law 1991. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

The Directors confirm to the best of their knowledge that:

- the financial statements, which have been prepared in accordance with IFRS, give a true and fair view of the assets, liabilities, financial position and profit of the Company; and
- the Strategic Report includes a fair review of the development and performance of the business and the position of the Company, together with a description of the principal risks and uncertainties that they face.

The Annual Report and financial statements, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Company's performance, position, business model and strategy.

This Directors’ Report was approved by the Board of Directors on 26 March 2025 and signed on its behalf by:

Robert Kirkby
Chairman
26 March 2025

Board and Committees

Board and Committees

Culture

The Board's philosophy is that the Company should operate in a transparent culture where all parties are treated with respect and provided with the opportunity to offer practical challenge and participate in positive debate which is focused on the aim of achieving the expectations of shareholders and other stakeholders alike.

The Board

As at 31 December 2024, the Board consisted of the following non-executive directors:

- Robert Kirkby (Chairman (effective 30 April 2024));
- Stephanie Carbonneil (Chair of the Nomination and Remuneration Committee and SID);
- Philip Braun (Chair of the Audit Committee);
- Esther Gilbert (Chair of the Management Engagement Committee); and
- Vanessa Neill (Chair of the ESG Committee).

All the Directors are independent of the Investment Vehicle Manager, refer to page 30 for the biographies and dates of appointment for all Directors. The SID supports the Chairman and serves as an alternate point of contact for stakeholders.

Directors' appointment, retirement and rotation

Directors have agreed letters of appointment with the Company. No Director has a service contract with the Company and Directors' appointments may be terminated at any time by one month's written notice with no compensation payable at termination upon leaving office for whatever reason.

Subject to the Articles of Association, Directors may be appointed by the Board. In compliance with the AIC Code, the Board has resolved that all Directors will stand for re-election at each AGM, including the forthcoming AGM.

Board diversity

The Directors recognise the benefits and effectiveness that diversity, including gender, age, professional experience and cultural background, brings to the Board and its committees and have a strong commitment to ensuring a correct balance of knowledge, experience and independence. Board appointments are based on merit as well as being an appropriate fit for the Company.

As at 31 December 2024, the Board comprised of three female and two male Directors. As the Company has no employees there is no further requirement to report in respect of diversity quotas.

The below tables set out the Board's current composition. The below text compares this against the targets prescribed by Listing Rule 9.8.6R (9)(a).

	Number of board members	Percentage of the board	Number of senior positions on the Board[19]
Men	2	40%	2
Women	3	60%	1

	Number of Board members	Percentage of the Board	Number of senior positions on the Board[19]
White British or other White (including minority-white groups)	5	100%	3

60% of Board members are female, which is above the target of 40% prescribed by 14.3.30R (1)(a)(i). At least one of the female directors needs to have a senior position within the Board. The role of SID, being a senior position, is held by a woman.

[19] The Company considers the Chairman of the Board, the SID and the Audit Committee Chair to be senior roles.

Board and Committees (continued)

At present none of the Board members are from minority ethnic backgrounds which is below the target of one, prescribed by 14.3.30R (1)(a)(iii). The Board's desire remains to broaden the ethnic diversity of its members. The Board will revisit this again at the time of the next board replacement.

The table below sets out the Board skills matrix.

Director	Appointed	Experience	Qualification
Robert Kirkby	2023	CG,AF,ESG	Ma Cantab. FCA ICAEW
Stephanie Carbonneil	2019	I,D,CG	MA in Finance, French LLM in Contract Law, IMC
Philip Braun	2023	CG,AF	BSc Maths and Computer Science, FCA ICAEW
Esther Gilbert	2022	I,CG,ESG	BA Mathematics with Finance, CFA, IMC, CFA ESG Investing
Vanessa Neill	2022	I,CG,ESG	Postgraduate Masters Diploma in Sustainable Business, Cambridge Institute for Sustainable Leadership (CISL)

I – Investment; D - Distribution; CG- Corporate Governance; AF – Accounting and Finance; ESG – ESG expertise

Committees

The Board has established four committees, namely the Audit Committee, Nomination and Remuneration Committee, ESG Committee and Management Engagement Committee. All Directors have been appointed to all Committees, except for the Audit Committee. The Terms of Reference of all the committees can be found within the tab 'Investors Information' under 'Governance' on the Company's website (ig.cvc.com).

Audit Committee

The Audit Committee is chaired by Mr Braun. All Directors have been appointed to the Audit Committee except for the Chairman of the Board.

The report on the role and activities of this Committee and its relationship with the external auditor is set out in the Report of the Audit Committee.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee is chaired by Ms Carbonneil.

An external evaluation of the Board in October 2024 by Stogdale St James. The results of this evaluation were positive and a number of limited recommendations were made to further enhance the governance practices of the Company.

The evaluation considered the balance of skills, experience, independence, knowledge, diversity, how the Board works together and other factors relevant to its effectiveness. The evaluation also considered the Board's and Committee's performance, constitution and Terms of Reference to ensure that they are operating effectively.

ESG Committee

The ESG Committee is chaired by Ms Neill. The report on the role and activities of this Committee is set out in the Report of the ESG Committee on pages 50 to 51.

Management Engagement Committee

The Management Engagement Committee is chaired by Ms Gilbert. The report on the role and activities of this Committee is set out in the Report of the Management Engagement Committee on page 48.

Director Remuneration

Refer to the Directors' Remuneration Report for details.

Tenure and succession

The Board's succession plan seeks to ensure that no Director serves on the Board for longer than nine years and that the Board is well balanced and refreshed from time to time by the appointment of new directors with the skills and experience necessary to replace those lost by Directors' retirements and to meet future requirements.

The Remuneration and Nomination Committee is committed to ensuring that any vacancies arising are filled by the most qualified candidates who have complementary skills or who possess the skills and experience which fill any gaps in the Board's knowledge or experience. The Board regularly and critically examines and evaluates its membership and that of its Committees, and its succession requirements.

Board and Committees (continued)

The Board takes into consideration the principles, provisions and spirit of the AIC Code and targets prescribed by Listing Rule 9.8.6R (9)(a) and will ensure that any appointments to the Board follow a formal, rigorous and transparent process. The Board notes that at least two directors need to be Jersey resident.

Board meetings

The Board meets periodically throughout the year. The Investment Vehicle Manager, together with the Company Secretary, also ensure that all Directors receive, in a timely manner, all relevant management, regulatory and financial information relating to the Company and the Investment Vehicle portfolio.

The Board applies its primary focus to the following:

- investment performance, ensuring that the investment objective and strategy of the Company are met;
- ensuring investment holdings are in line with the Company’s prospectus;
- reviewing and monitoring financial risk management and operating cash flows, including cash flow forecasts and budgets for the Company; and
- reviewing and monitoring key risks to which the Company is exposed as set out in the Principal Risks and Uncertainties section.

At each relevant meeting, the Board undertakes reviews of key investment and financial data, transactions and performance comparisons, share price and NAV performance, investor marketing, distribution and communications, media engagement and shareholder communication strategies, peer group information and industry issues. The Board holds regular discussions with the Investment Vehicle Manager to discuss performance of the Investment Vehicle portfolio, whilst considering ways in which future share price and overall performance can be enhanced. The share tender mechanism impacts the number of units of PECs that are to be redeemed to provide the required liquidity for the shares tendered by shareholders and is therefore discussed only to that extent, with the Investment Vehicle Manager.

The Board also considers whether the investment policy continues to meet the Company’s objectives.

Board and Committees (continued)

Attendance at 2024 scheduled meetings of the Board and its Committees

Director	Board Meetings	Audit Committee [20]	Nomination and Remuneration Committee	ESG Committee	Management Engagement Committee
Robert Kirkby	5/5	3/3	1/1	3/3	1/1
Stephanie Carbonneil	5/5	2/3	1/1	3/3	1/1
Philip Braun	5/5	3/3	1/1	3/3	1/1
Esther Gilbert	5/5	3/3	1/1	3/3	1/1
Vanessa Neill	5/5	3/3	1/1	3/3	1/1
Richard Boléat [21]	2/2	1/1	n/a	1/1	1/1

In addition to these meetings, there were 3 ad-hoc Board meetings to deal with specific issues as they arose, and 8 Committee of the Board meetings held during the year. The Committees of the Board comprise of any one Jersey based Director to approve routine matters associated with the administration of the semi-annual tender, the share conversions and the dividends.

Shareholder communications

An analysis of the substantial shareholders of the Company's shares is provided to the Board on a quarterly basis, as applicable.

The Board views shareholder relations and communications as a high priority and aims to have a thorough understanding of the views of shareholders. The Chairman and the SID are available for discussion about governance and strategy with major shareholders and they communicate shareholders' expressed views to the Board. Shareholders wishing to communicate with the Chairman, or the SID, may do so by any conventional means. The Directors welcome the views of all shareholders and place considerable importance upon them.

The main method of communication with shareholders is through the half-yearly and annual financial reports which aim to give shareholders a clear and transparent understanding of the Company's objectives, strategy and results. This information is supplemented by the publication of monthly fact sheets, and the weekly estimated and monthly NAV of the Company's Sterling shares and Euro shares and on the London Stock Exchange, via the Regulatory Information Service. The Board has quarterly investor calls to allow investors and other interested parties to receive an update on the previous quarter's performance and market conditions. It also provides a forum for questions to be posed to the Chairman and representatives of the Investment Vehicle Manager.

The Company's website (ig.cvc.com), is regularly updated with monthly fact sheets and provides further information about the Company, including the Company's financial reports and announcements. Investors may also view periodic webinars which are also available on the Company website. The Board believes that the AGM provides an appropriate forum for investors to communicate with the Board and encourages participation.

Financial risk management objectives and policies

The Board is responsible for the Company's system of risk management and internal control and meets regularly in the form of periodic Board meetings to assess the effectiveness of such controls in managing and mitigating risk.

The Board confirms that it has reviewed the effectiveness of the Company's system of risk management and internal control for the year ended 31 December 2024, and to the date of approval of this Annual Financial Report. The Board has taken into consideration the FRC's 'Guidance on Risk Management, Internal Control and Related Financial and Business Reporting' to ensure that the Company's system of risk management and internal control is designed and operated effectively, in line with best practice guidance provided by the FRC.

The key financial risks that the Directors believe the Company is exposed to include credit risk, liquidity risk, market risk, interest rate risk, valuation risk and foreign currency risk. Refer to note 7 for reference to financial risk management disclosures, which explains in further detail the above risk exposures and the policies and procedures in place to monitor and mitigate these risks.

[20] The Board has a sub-Committee of any two Jersey-based Directors for accounts approval. There was one audit sub-Committee meeting during the year.

[21] Richard Boléat retired from the Board on 30 April 2024. His attendance presented in the table is based on the number of Board meetings held before he retired.

Directors' Remuneration Report

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Directors’ Remuneration Report

Remuneration policy

The determination of the Directors’ fees is a matter for the Board. The Nomination and Remuneration Committee considers the remuneration policy annually to ensure that it remains appropriately positioned and makes recommendations to the Board as applicable. As part of this process, the Directors review the fees paid to the boards of directors of similar companies. No Director is involved in decisions relating to their own remuneration.

Directors are remunerated in the form of fees, payable quarterly in advance. No Director has any entitlement to a pension, and the Company has not awarded any share options or performance incentives to any of the Directors. Directors are authorised to claim reasonable expenses from the Company in relation to the performance of their duties.

The Company’s policy is that the fees payable to the Directors should reflect the time spent by the Board on the Company’s affairs and the responsibilities borne by the Directors and should be sufficient to enable high calibre candidates to be recruited. The Board may amend the level of remuneration paid within the limits of the Company’s Articles of Association.

The Company’s Articles of Association limit the aggregate fees payable to the Directors to a total of €500,000 (£423,235) per annum.

Annual review of Director fees

Director’s fee increases are linked to the Jersey Retail Price Index (“RPI”) annually, though the Chair of the Nomination and Remuneration Committee or the Chairman of the Board have discretion on the level of increase being made. On 24 October 2024, the Nomination and Remuneration Committee undertook its annual review of the fees paid to the Directors and compared these with the fees paid by reasonably comparable listed companies and concluded that Director fees should increase by 4.0%, in line with Jersey RPI, effective 1 January 2025, with no change proposed to the additional fees for Committee chairs or SID.

Table of Directors’ Remuneration

The fees paid to each director are detailed in the table below:

Director	Role(s)	Year ended 31 December 2024	Year ended 31 December 2023
Robert Kirkby [22]	Chairman (from 30 April 2024)	£60,166 (€71,391)	£11,664 (€14,026)
Stephanie Carbonneil	Chair of the Nomination and Remuneration Committee and SID	£51,050 (€60,620)	£47,500 (€55,233)
Philip Braun	Chair of the Audit Committee	£51,050 (€60,620)	£12,604 (€15,107)
Esther Gilbert [23]	Chair of the Management Engagement Committee	£49,750 (€59,085)	£42,500 (€49,484)
Vanessa Neill	Chair of the ESG Committee	£49,750 (€59,085)	£46,250 (€53,796)
Richard Boléat [24]	Chairman (up to 30 April 2024)	£22,605 (€27,017)	£65,000 (€75,357)
Mark Tucker [25]	Chair of the Audit Committee (up to 31 December 2023)	n/a	£50,000 (€58,110)

Statement of consideration of shareholder views

An ordinary resolution to ratify the Directors’ Remuneration Report will be proposed at the 2025 AGM on 29 April 2025.

Stephanie Carbonneil
Chair of the Nomination and Remuneration Committee
26 March 2025

[22] Robert Kirkby assumed the role of Chairman on 30 April 2024.
[23] The Management Engagement Committee was formed on 11 December 2023. Esther Gilbert receives an additional fee of £5,000 per annum as the Chair of the Management Engagement Committee (31 December 2023: no additional fee was paid).
[24] Richard Boléat retired from the Board on 30 April 2024.
[25] Mark Tucker retired from the Board on 31 December 2023.

Report of the Audit Committee

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Report of the Audit Committee

The Audit Committee comprises all the Directors and each Audit Committee member has recent and relevant financial experience. The Audit Committee has competence relevant to the sector in which the Company operates. The Audit Committee is chaired by Philip Braun.

The Board appointed Audit Committee operates within clearly defined Terms of Reference which are reviewed regularly by the Audit Committee and amended as required.

During the year, the Audit Committee formally convened on four occasions and the members' attendance record can be found on page 40.

Role of the Audit Committee

The Audit Committee assists the Board in carrying out its responsibilities in relation to financial reporting requirements, risk management and the assessment of internal financial and operating controls. It also manages the Company's relationship with the external Auditor.

The Audit Committee's key duties are:

- to review and monitor the fairness and balance of the financial statements of the Company including its half-year financial report and annual financial report to shareholders, reviewing any significant financial reporting issues and judgements which they contain;
- to advise the Board on whether the Audit Committee believes that the annual report and accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's performance, position, business model and strategy;
- to identify and disclose those risks considered by the Committee to be significant to their financial reporting process;
- to consider and make recommendations to the Board in relation to the appointment, re-appointment and removal of the external auditors and to negotiate their remuneration and terms of engagement on audit and non-audit work;
- to meet regularly with the external auditor to review their proposed audit programme of work and the subsequent Audit Report and to assess the effectiveness of the audit process and the level of fees paid in respect of audit and non-audit work; and
- to annually assess the external Auditor's independence, objectivity, effectiveness, resources and expertise.

Significant risks

The Audit Committee views the below as the key significant risks to the financial statements:

Risk of inappropriate revenue recognition with respect to investment revenue

The risk of inappropriate revenue recognition is an issue of significance to the Audit Committee. This risk is mitigated by regular Board meetings in which a review of the Company's financial reporting is included. Additionally, the Audit Committee regularly engages with representatives of the Investment Vehicle Manager in order to understand the nature of investment income distributed by the underlying Investment Vehicle.

Risk of incorrect valuation of financial assets

The risk of misstatement due to errors in the valuation of the Company's investments is an issue of significance to the Audit Committee. This risk is mitigated by regular Board meetings in which a review of the valuation of the Company's investments is included. Additionally, the Audit Committee regularly engages with representatives of the Investment Vehicle Manager in order to gain assurances as to the continued appropriateness of the valuation methodology.

Title to, and the existence of, the Company's investments

PEC registers are maintained by the Investment Vehicle's administrator. The PEC registers are reconciled when preparing the NAV as well as during the preparation of the Company's half year and annual financial reports. Accordingly, title to, and existence of the Company's investments are confirmed by the Board regularly.

External audit process

The Audit Committee met formally with the Auditor prior to the commencement of the audit and agreed an audit plan that would adopt a risk-based approach. The Audit Committee and the Auditor agreed that a significant portion of the Audit effort would include an examination of revenue recognition with respect to investment income and an examination of the procedures in place at the Administrator and at the Investment Vehicle Manager in respect of the valuation and existence of the Company's investments and the underlying portfolio assets respectively.

Report of the Audit Committee (continued)

Upon completion of the audit, the Audit Committee discussed the effectiveness of the audit and concluded that the audit had been effective on the grounds that:

- the audit plan had been met;
- the Auditor had demonstrated a good understanding of the Company's business;
- no risks to audit quality had been identified;
- the Auditor demonstrated a robustness of process and perceptiveness in handling key accounting issues and judgements; and
- all issues that arose during the audit were satisfactorily resolved.

Additionally, procedures employed by the Auditors, described above, are viewed by the Audit Committee as being appropriate and sufficiently robust for the Committee to gain sufficient assurance as to the effectiveness of the audit.

Non-audit services

The Company has adopted a policy such that the provision of non-audit services by the Auditor is considered and approved by the Audit Committee on a case-by-case basis, taking into account relevant law, regulation, the Revised Ethical Standard 2024 and other applicable professional requirements.

The following factors are assessed when considering the provision of non-audit services by the Auditor:

- threats to independence and objectivity resulting from the provision of such services and any safeguards in place to eliminate or reduce those threats to a level where they would not compromise the Auditor's independence and objectivity;
- the nature of the non-audit services;
- whether the skills and experience of the audit firm makes it the most suitable supplier of the non-audit service; and
- the fees incurred, or to be incurred, for non-audit services both for individual services and in aggregate, relative to the audit fee, including special terms and conditions (for example, contingent fee arrangements).

During the year ended 31 December 2024, the Auditor was engaged to conduct a review of the Company's Half-Yearly Financial Report for the six months ended 30 June 2024 and was remunerated as follows:

	Year ended 31 December 2024 £	Year ended 31 December 2023 £
Annual audit	£79,900 (€94,392)	£79,300 (€91,184)
Total audit fee	**£79,900 (€94,392)**	**£79,300 (€91,184)**
Interim review (non-audit related service)	£14,100 (€16,657)	£12,700 (€14,603)
Total audit and non-audit related services fees	**£94,000 (€111,049)**	**£92,000 (€105,787)**

Report of the Audit Committee (continued)

Auditor independence

The Committee undertakes an annual assessment of the independence of the Auditor prior to the commencement of the audit, this includes:

- discussing with the Auditor the threats to their independence and the safeguards applied to mitigate such threats;
- considering all relationships between the Company and the Auditor;
- reviewing and confirming no relationships between the Company and the Auditor which could impact independence and objectivity;
- reviewing the level of fees paid by the Company in proportion to the overall fee income of the firm, office and partner; and
- reviewing the Auditor's policies and processes for maintaining independence and monitoring compliance with relevant requirements.

Based on the above criteria the Audit Committee was satisfied as to the independence of the Auditor during the year ended 31 December 2024 and throughout the course of the audit.

Auditor appointment

The Auditor was appointed on 19 August 2013. The Audit Committee undertook a detailed audit tender process in 2022 and the Committee's recommendation to the Board to reappoint Ernst & Young LLP as the Company's auditor was accepted.

The Audit Committee considers the reappointment of the external auditor, including the rotation of the audit engagement partner, each year. The external auditor is required to rotate the audit engagement partner responsible for the Company audit every five years. This is the fifth year that the current audit engagement partner, Denise Davidson, has overseen the audit of the Company (having first overseen the 31 December 2020 audit).

The Audit Committee reviews a number of factors when considering proposing the re-appointment/appointment of an auditor including:

- effectiveness and quality of the previous audit (if applicable);
- independence;
- qualification, expertise and resources; and
- consideration as to whether it would be appropriate to recommend an external audit tender be conducted earlier than the maximum best practice ten-year period.

After considering the above, the Audit Committee provided the Board with its recommendation that Ernst & Young LLP should be reappointed as external auditor for the year ending 31 December 2025. Accordingly, a resolution proposing the reappointment of the Auditor will be put to shareholders at the 2025 AGM.

There are no contractual obligations restricting the Audit Committee's choice of external auditor and the Company does not indemnify its external auditor.

Internal controls

The Board is responsible for ensuring that suitable systems of risk management and internal control are implemented by the third-party service providers to the Company, the Audit Committee has reviewed the BNP Paribas S.A. ISAE 3402 reports (for the periods 1 April 2023 to 31 March 2024 and 1 April 2024 to 30 September 2024) on fund administration and are pleased to note that no significant issues were identified. BNP Paribas S.A., Jersey Branch also provided a bridging letter to cover the period from 1 October 2024 to 31 December 2024, confirming that there were no reportable issues to their knowledge during that period.

In accordance with the FRC's 'Internal Control: Guidance to Directors', and 'Guidance on Audit Committees', the Board confirms that there is an ongoing process for identifying, evaluating and managing the significant internal control risks faced by the Company.

As the Company does not have any employees it does not have a 'whistle blowing' policy in place. The Company delegates its day-to-day administrative operations to third-party providers who are monitored by the Board and who report on their policies and procedures to the Board. Accordingly, the Board believes an internal audit function is not required.

Philip Braun
Chair of the Audit Committee
26 March 2025

Report of the Management Engagement Committee

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Report of the Management Engagement Committee

The Company has established a Management Engagement Committee with formally delegated duties and responsibilities within written Terms of Reference, which are available on the Company's website here.

Main activities during the year

The Investment Vehicle Manager demonstrated continued excellence in its delivery of portfolio performance and alignment with objectives over the period. The Management Engagement Committee remains satisfied with the overall level of performance of the Investment Vehicle Manager and the Committee deems it appropriate to continue with the Company's Investment Policy of investing into the Investment Vehicle, which is considered to be in shareholders' best interests.

CVC Capital Partners, the parent company of the Investment Vehicle Manger, listed on Euronext during the period, an event deemed to have limited impact on the Company.

During the period the Company made changes to its public relations service provider and implemented a higher-touch strategy aiming to align the investor relations and public relations functions.

Key areas of focus for the Management Engagement Committee during the year included:

- Formalising risk and return KPIs for the Investment Vehicle Manager;
- Enhancing familiarisation of service providers to the Investment Vehicle, including administration and accounting;
- Assessing the performance of the Company's Administrator and Secretary, given personnel changes over the period;
- Assessing the terms of the Company's investor relations function following one full year of service provision;
- Reviewing and making changes to the Administrator's fee schedule;
- Reviewing of service provider policies and procedures; and
- In conjunction with the Audit Committee, a review of the Administrator's internal audit function.

The Committee is pleased by the progress made by the Investment Vehicle Manager in terms of shareholder engagement and thanks them for their open and transparent communication with the Board.

Service provider performance assessment

The Committee carried out a qualitative assessment of key service providers over the period including the Investment Vehicle Manager, Administrator and Secretary, Registrar, Broker and Investor Relations. No material actions arose as a result of the review.

The Management Engagement Committee monitors all service providers for compliance with relevant Anti-Bribery and Corruption legislation. A cyber security review is carried out on a biennial basis, to monitor the cyber arrangements in place with our counterparties and to identify any areas for improvement.

Esther Gilbert
Chair of the Management Engagement Committee
26 March 2025

Report of the ESG Committee

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Report of the ESG Committee

The Company has identified the growing importance of responsible investment and integrating ESG considerations into the investment process. It supports CVC Credit Partners Investment Management Limited's belief that the management of environmental, social and governance factors play an important part in both risk management and value creation. The CVC Group 2024 Sustainability Report provides insight into how Sustainability is managed within the overall Group, its sustainability strategy and core themes and progress over the last 12 months prior to the publication.

Governance of ESG

The Company's ESG Committee engages with the Investment Vehicle Manager on Sustainability matters on a regular basis to ensure that the Company's ESG strategy and policies continue to align with CVC Group's Responsible Investment Policy.

The Committee also monitors sustainability and ESG regulations and legislative developments.

ESG Strategy

The Investment Vehicle Manager's Responsible Investment Polices and Guidelines mandate that the investment management team includes ESG considerations in the investment process, where possible, before making an investment.

The Investment Vehicle Manager follows CVC's approach to ESG integration which is outlined in the CVC Group 2024 Sustainability Report and includes a three-step approach: 1) due diligence; 2) monitoring; 3) engagement.

Due Diligence

For both private and performing credit, the investment team carries out a due diligence process by reviewing ESG information provided by the borrower as well as publicly available information. Performing Credit also utilises market standardised frameworks such as the Loan Syndications and Trading Association ESG Diligence Questionnaire and ELFA CLO Manager Questionnaire.

Monitoring

Following the initial investment, CVC analysts monitor ESG topics using a proprietary scorecard to systematically assess ESG performance of borrowers. In addition, investment teams use an external news aggregator to monitor ESG-related news relevant to borrowers. Any material sustainability risks that are raised by this process are reviewed by the relevant investment committee.

Engagement

CVC Credit engages with the companies in which it invests to encourage them to improve their ESG disclosures. The CVC Sustainability Team also actively engages with industry groups as part of the wider industry's commitment to and implementation of ESG principles. For example, the CVC performing credit team has been a member of ELFA's ESG Committee since 2020.In 2022, the Investment Vehicle Manager also partnered with Sustainable Fitch to incorporate data from Sustainable Fitch into the ESG integration process. Currently, 87% of issuers of the Investment Vehicles' underlying investments are covered by Sustainable Fitch requirements.

CVC Credit Sustainability Performance

CVC Capital has been a signatory to the UN Principles for Responsible Investment ("UN PRI") since 2012 and CVC Credit has been a signatory since 2021. CVC Credit's most recent UNPRI assessment and achieved 4 (out of 5) stars for each of the following categories: Policy, Governance, Strategy: 4 Stars; Fixed Income – Corporate: 4 Stars; Fixed Income – Private Debt: 4 Stars; Confidence Building Measures: 4 Stars.

ESG Disclosures and Metrics

The ESG Committee believes that climate change will have material impacts on the financial performance of companies in which the Investment Vehicle Manager invests and on the universe of companies in which the Investment Vehicle Manager may invest in the future. The ESG Committee continues to work with the Investment Vehicle Manager to monitor the carbon footprint of the portfolio through analysis from CVC Credit's proprietary Sustainability Scorecard.

While the Company is not within scope of the mandatory climate-related financial disclosure requirements, it has been a formal supporter of the TCFD recommendations since 2018 and expects the companies in which the Investment Vehicle Manager invests to make TCFD disclosures, if required. Whilst the Company is a self-managed alternative investment fund, it is marketed in the EU by CVC Credit Partners Investment Management Limited and therefore; it has been designated as an Article 6 fund under the Sustainable Finance Disclosure Regulation.

The ESG Committee has aggregated some useful data points from the Sustainability Scorecard, which evidences that the Investment Vehicle Manager is integrating ESG in the investment process and demonstrates that Sustainability is an important area of focus for the underlying issuers as seen in the table below:

Report of the ESG Committee (continued)

Description	Percentage of Issuers (data collected)	Percentage of Portfolio AUM represented by data figure[26]
Percentage of investee companies that have completed ESG scorecards	100%	100%
Percentage of investee companies that have senior leadership oversight of ESG	76%	81%
Percentage of investee companies that have a disclosable ESG Policy	69%	75%
Percentage of investee companies with gender diversity of Board or C-level management	69%	69%
Percentage of investee companies disclosing in line with TCFD recommendations[27]	14%	16%

The Investment Vehicle Manager seeks to engage with investee companies and other relevant stakeholders on ESG topics on an ongoing basis, as relevant and practical. Examples of engagement activities may include dialogue and information gathering with investee company management, participation in industry working groups to standardize disclosures, and feedback to market groups, such as the European Leveraged Finance Association.

The Company's own Environmental and Social responsibility

Given the structure of the Company and its activities, its own direct carbon footprint is minimal as it has no offices or company vehicles. It's most material GHG emissions arises from Purchased Goods and Services and the Directors' business travel for Board meetings. Since the beginning of 2023, Directors are expected to offset their carbon footprint. The Board has continued to support the Jersey National Park ("JNP"), having made a commitment in 2020 of £100,000 over 5 years. This funding has supported the refurbishment of the facilities at the Frances Le Sueur Centre (the "Centre") at the JNP and enabled a range of organisations to benefit from environmental education, wellbeing classes and away days. For the year ending 2024, 12 organisations (including government departments, non-governmental organisations and schools) enjoyed the benefit of the Centre. During 2024, funds from the Company have also been directed towards signage improvements in St Ouen's Bay and a habitat management project.

[26] Excludes AUM from third-party managed assets (CLO Equity and Debt), which comprises 6.0% of the total portfolio AUM.

Looking forward

The approach to integrating ESG into the investment process covers the underlying assets of the Investment Vehicle. As the Investment Vehicle Manager's continues to utilise CVC Credit's proprietary sustainability scorecard and other third-party tools throughout the due diligence process prior to investment and the data from these tools becomes more reliable, robust and consistent; it is inevitable that there will be enhancements to the ESG approach. CVC Credit's new sustainability data platform has led to enhanced tracking and monitoring processes which the team plan to further develop throughout 2025.

In addition, the Company has committed to developing further insights on ESG through:

- Continuously building its knowledge on ESG matters and sustainability developments. The Chair of the ESG Committee participates in ELFA's ESG Committee and the Association of Investment Committee's (AIC) ESG Forum and they provide useful insights on current ESG trends and initiatives in the investment trust sector and the debt, loan and CLO markets;
- Continuing to work with its external advisors as required to continuously develop its ESG strategy.

Vanessa Neill
Chair of the ESG Committee
26 March 2025

[27] Percentage is low due to the significant number of issuers CVC Group is invested in which are below the threshold for an obligation to compile a TCFD report.

Independent Auditor's Report

To the members of
CVC Income & Growth Limited

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Independent Auditor's Report to the members of CVC Income & Growth Limited

Opinion

We have audited the financial statements of CVC Income & Growth Limited (the "company") for the year ended 31 December 2024 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Net Assets, the Statement of Cash Flows, and the related notes 1 to 18, including a summary of material accounting policy information. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards as adopted by the European Union.

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2024 and of its profit for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards as adopted by the European Union; and
- have been properly prepared in accordance with the requirements of the Companies (Jersey) Law 1991.

Basis for opinion

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

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

Conclusions relating to going concern

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

- Ascertaining that the going concern assessment covers a period of at least twelve months from the date of approval of the financial statements. The directors have performed an assessment to 26 March 2026 which is least twelve months from the date of approval of the financial statements.
- Reviewing the cash flow and revenue forecasts which support the directors' assessment of going concern. This involved challenging the sensitivities and assumptions used in the forecasts.
- Reviewing the stress testing performed by the directors' and assessing whether the basis on which it was performed was appropriate and adequate, including validating assumptions used, that could have a material impact, by agreeing these to supporting documentation where possible.
- Holding discussions with the directors' and the administrator to determine whether, in their opinion, there is any material uncertainty regarding the company's ability to pay liabilities and commitments as they fall due and challenging this assessment through our audit procedures over the assessment of the company's liquidity.
- Considering whether the directors' assessment of going concern as included in the Annual Financial Report, is consistent with the disclosure in the viability statement.
- Assessing whether the subsequent events identified by the directors impact the company's ability to continue as a going concern.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast material doubt on the company's ability to continue as a going concern for a period twelve months from when the financial statements are authorised for issue.

In relation to the company's reporting on how they have applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the directors' statement in the financial statements about whether the directors considered it appropriate to adopt the going concern basis of accounting.

Independent Auditor's Report to the members of CVC Income & Growth Limited (continued)

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

Overview of our audit approach

Key audit matters	• Risk of inappropriate revenue recognition with respect to investment revenue • Risk of incorrect valuation of financial assets • Risk that investments do not exist, including incomplete and inaccurate investment transactions
Materiality	• Overall materiality of €2.7m which represents 1% of net assets attributable to shareholders.

An overview of the scope of our audit

Tailoring the scope

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

Climate change

The company has determined that the most material future impacts from climate change on its operations will be from financial losses stemming from climate-related factors adversely impacting the capital value of securities held within the Investment Vehicle portfolio and/or the ability of those companies whose securities are held to meet their financial obligations thereunder. These are explained on pages 21 to 24 in the principal risks and uncertainties, which form part of the "Other information," rather than the audited financial statements. Our procedures on these disclosures therefore consisted solely of considering whether they are materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appear to be materially misstated, in line with our responsibilities on "Other information".

Our audit effort in considering climate change on the financial statements was focused on evaluating whether the effects of climate risks have been appropriately reflected by management in reaching their judgements and in relation to the assessment of the valuation of financial assets. As part of this evaluation we performed our own risk assessment to determine the risks of material misstatement in the financial statements from climate change which needed to be considered in our audit.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most material assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in our opinion thereon, and we do not provide a separate opinion on these matters.

Independent Auditor's Report to the members of CVC Income & Growth Limited (continued)

Risk	Our response to the risk	Key observations communicated to the Audit Committee
Risk of inappropriate revenue recognition with respect to investment revenue *Refer to the Audit committee report (pages 44 to 46) and Accounting policy 2.9 (page 69) and Note 3 of the Financial Statements (page 70)* For the year ended 31 December 2024, the company recognised investment revenue of €23.4m (2023 €19.9m). The ability to generate dividend yield for shareholders that is funded from investment revenue (rather than capital gains arising on the disposal of investments) is a key strategic objective of the company. Investment revenue is primarily generated in the form of distributions from the Investment Vehicle (CVC European Credit Opportunities S.à.r.l.). Given the importance that the company's ability to generate a consistent level of investment revenue has on the company's dividend yield objectives, we consider that the recognition of investment revenue represents a fraud risk and thus a material risk.	We have performed the following procedures: • Updated our understanding of the nature of the investment revenue attributable to the company from the Investment Vehicle by performing walkthrough procedures to assess the design and implementation of controls. • Updated our understanding of how this risk is considered and managed by the Directors, the Investment Vehicle Manager (CVC Credit Partners Investment Management Limited) and the Administrator (BNP Paribas S.A., Jersey Branch) by performing walkthrough procedures to assess the design and implementation of controls. • Vouched the investment income received in the year to bank statements. • Agreed income distribution notices obtained from the Administrator to the revenue recorded in the year. • Recalculated the investment income attributable to the Company from the Investment Vehicle based on the Company's ownership of and the income distributions made by, the Investment Vehicle during the year as agreed to the audited financial statements of the Investment Vehicle. • Performed recalculations to translate the Sterling income received from the Sterling Preferred Equity Certificates ('PECs') to Euros, the Company's functional and presentational currency.	Based on the work performed, we have no matters to report to the Audit Committee.

Independent Auditor's Report to the members of CVC Income & Growth Limited (continued)

Risk of incorrect valuation of Financial assets

Refer to the Report of the Audit Committee (pages 44 to 46); Accounting policy 2.4 (pages 68 to 69); and Note 7.5 of the Financial Statements (page 80).

At the year end, the company held 82,578,158.57 Euro Preferred Equity Certificates ('PECs') and 120,339,149 Sterling PECs (2023: 95,576,319.53 Euro PECs and 117,072,596.24 Sterling PECs) with a total value of €266.8m (2023: €248.6m).

There is a risk that investment values are misstated or that valuations are incorrectly calculated through errors in the valuation of the PECs held by the company.

The valuation of the PECs is dependent on a range of factors including the NAV of the Investment Vehicle and its underlying portfolio. The underlying portfolio includes level 3 securities valued by the Investment Vehicle Manager, and the directors of the company assess whether a liquidity adjustment should be taken on the NAV of the Investment Vehicle when arriving at the final valuations.

As the investment valuations are received directly from the Investment Vehicle Manager, who is remunerated by the Investment Vehicle in the form of management fees based on NAV, there is also a risk the Investment Vehicle Manager may influence the valuations to meet the expectations of investors. As such, we consider that the risk of incorrect valuation of investments, including management override, represents a fraud risk and thus a significant risk.

We have performed the following procedures:

- Updated our understanding of how this risk is considered and managed by the Directors and the Investment Vehicle Manager by performing walkthrough procedures to assess the design and implementation of controls. This included validating our understanding of the current valuation policy employed by the Investment Vehicle Manager.
- Reviewed the Administrator's ISAE 3402 report and the related bridging letter to consider the impact of any significant deficiencies in our audit, noting none.
- Performed substantive testing of the financial assets held at fair value through profit or loss to corroborate the valuation methodology and data inputs used and assessed whether the nature of the information and methodology utilised are appropriate.
- Independently confirmed the NAV per PEC and total number of PECs held with SS&C (Luxembourg) S.à.r.l, the Corporate Service Provider and Registrar of the Investment Vehicle. Recalculated the fair value of the PECs held using the confirmed amounts and agreed the fair value of the PECs to the audited financial statements of the Investment Vehicle.
- Recalculated the unrealised gains/losses on the revaluation of investments impacting the Net gains/losses on financial assets held at fair value through profit or loss in the Statement of Comprehensive Income.
- Considered and challenged whether the Board's assumptions around liquidity adjustments to NAV of the Investment Vehicle are appropriate by considering the historic trading and redemption activity in the Investment Vehicle and agreeing PEC redemptions to the bank statements.

Based on the work performed, we have no matters to report to the Audit Committee.

Independent Auditor’s Report to the members of CVC Income & Growth Limited (continued)

Risk	Our response to the risk	Key observations communicated to the Audit Committee
Risk that investments do not exist, including incomplete and inaccurate investment transactions *Refer to the Audit committee report (pages 44 to 46) and Accounting policy 2.9 (pages 69) and Note 6 of the Financial Statements (pages 72 to 75)* For the year ended 31 December 2024, the company held financial assets at fair value through profit or loss amounting to €266.8m (2023 €248.6m). There is a risk that investments presented in the financial statements do not exist or the Company does not have legal title to these. The individual investments are significant in value and the process that is involved in the completion of a purchase or a disposal of the PECs can take an extended period of time. As a result, there is a risk that incomplete or inaccurate transactional information with regards to the PECs would result in a material misstatement in the reported results and financial position of the Company. At the year end, the Company held 82,578,158.41 Euro and 120,339,149.81 Sterling PECs (2023: 95,576,319.53 Euro and 117,072,596.24 Sterling PECs) with a total value of €266.7m (2023: €248.6m).	We have performed the following procedures: • Updated our understanding of how this risk is considered and managed by the Directors, the Investment Vehicle Manager and the Administrator and performed walkthrough procedures to assess the design and implementation of controls. • Obtained the PEC registers as at 31 December 2024 independently from the Company Secretary of the Investment Vehicle (‘SS&C’) and agreed the holdings to those disclosed in the accounts. • Agreed a sample of investment trades in the year to agreements and traced cash movements to bank statements. • Reviewed the audited financial statements of the Investment Vehicle to check the existence and completeness of the Company’s investment in PECs, and agreed the PEC units held by the Company to the Series 4 and Series 5 PEC units disclosed in the audited financial statements of the Investment Vehicle. • Reviewed minutes of board meetings and other internal reports for indications of significant investment transactions not appropriately recorded.	Based on the work performed, we have no matters to report to the Audit Committee.

Independent Auditor's Report to the members of CVC Income & Growth Limited (continued)

Our application of materiality

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

Materiality

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

We determined materiality for the company to be €2.7m (2023: €2.5m), which is 1% (2023: 1%) of net assets attributable to shareholders. We believe that net assets attributable to shareholders provides us with materials the most important financial metric on which shareholders would judge the performance of the company.

Performance materiality

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

On the basis of our risk assessments, together with our assessment of the company's overall control environment, our judgement was that performance materiality was 75% (2023: 75%) of our planning materiality, namely €2.0m (2023: €1.9m). We have set performance materiality at this percentage based on our understanding of the entity and past experiences with the audit.

Reporting threshold

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

We agreed with the Audit Committee that we would report to them all uncorrected audit differences in excess of €0.1 m (2023: €0.1m) which is set at 5% of planning materiality, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds.

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

Other information

The other information comprises the information included in the annual financial report on pages 3-51 and 89-104 other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual financial report.

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

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Companies (Jersey) Law 1991 requires us to report to you if, in our opinion:

- proper accounting records have not been kept by the company, or proper returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the company's accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Independent Auditor's Report to the members of CVC Income & Growth Limited (continued)

Responsibilities of directors

As explained more fully in the directors' statement of responsibilities, as set out on page 35 the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most material are International Financial Reporting Standards as adopted by the European Union, the Companies (Jersey) Law 1991, the UK Corporate Governance Code (taken in the context of the AIC Code), and the UK Listing Rules.
- We understood how CVC Income & Growth Limited is complying with those frameworks by making enquiries with the directors including the Chairman of the Audit Committee. We corroborated our understanding through our review of board minutes and board papers provided to the Audit Committee.
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur by considering the key risks impacting the financial statements. We identified fraud risks in relation to inappropriate revenue recognition with respect to investment revenue, including risk of management override in relation to inappropriate journal entries, and risk of incorrect valuation of investments. Our audit procedures stated above in the 'Key audit matters' section of this Auditor's report, including test of journal entries, were performed to address these identified fraud risks.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved journal entry testing, with a focus on manual journals, journals posted around the year end date and other focused testing procedures.

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

Independent Auditor’s Report to the members of CVC Income & Growth Limited (continued)

Use of our report

This report is made solely to the company’s members, as a body, in accordance with Article 113A of the Companies (Jersey) Law 1991. Our audit work has been undertaken so that we might state to the company’s members those matters we are required to state to them in an auditor’s report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company’s members as a body, for our audit work, for this report, or for the opinions we have formed.

Denise Davidson
for and on behalf of Ernst & Young LLP
London
26 March 2025

Financial Statements

Statement of Comprehensive Income

For the year ended 31 December 2024 [28]

	Notes	Year ended 31 December 2024 (€)	Year ended 31 December 2023 (€)
Income			
Investment revenue	3	23,426,613	19,928,600
Tender fee revenue	3	128,482	206,590
Bank interest		95,309	103,155
Net gains on financial assets held at fair value through profit or loss	6	20,217,647	31,912,591
Foreign exchange gain on financial assets held at fair value through profit or loss	6	7,232,559	2,941,492
Foreign exchange loss on ordinary shares	11	(7,311,577)	(2,961,776)
Other net foreign exchange gain/(loss)		78,767	(3,224)
		43,867,800	**52,127,428**
Expenses			
Operating expenses	4	(1,676,793)	(1,436,945)
		(1,676,793)	**(1,436,945)**
Profit before finance costs and taxation		**42,191,007**	**50,690,483**
Finance costs			
Dividends paid	12	(21,642,838)	(18,948,851)
Profit before taxation		**20,548,169**	**31,741,632**
Taxation		-	-
Increase in net assets attributable to shareholders from operations		**20,548,169**	**31,741,632**
Return per Sterling share (Sterling equivalent)	**13**	**£0.1905**	**£0.2151** [29]
Return per Euro share	**13**	**€0.1624**	**€0.1873** [29]

All items in the above statement are derived from continuing operations.

The Company has no items of other comprehensive income.

[28] The notes on pages 65 to 88 form an integral part of these financial statements.

[29] Return per share has been calculated based on ‘profit before finance costs and taxation’ instead of ‘increase in net assets attributable to shareholders from operations’ to be consistent with the current period presentation. Refer to note 13 for further information.

Statement of Financial Position

As at 31 December 2024 [30]	Notes	31 December 2024 (€)	31 December 2023 (€)
Assets			
Financial assets held at fair value through profit or loss	6	266,762,434	248,600,415
Prepayments		61,453	58,158
Cash and cash equivalents		1,604,534	1,435,723
Total assets		**268,428,421**	**250,094,296**
Liabilities			
Payables	8	189,744	144,968
Total liabilities excluding net assets attributable to shareholders		**189,744**	**144,968**
Net assets attributable to shareholders	11	**268,238,677**	**249,949,328**
Total liabilities		**268,428,421**	**250,094,296**

The financial statements on pages 62 to 88 were approved by the Board of Directors on 26 March 2025 and signed on its behalf by:

Robert Kirkby
Chairman

Philip Braun
Chair of the Audit Committee

[30] The notes on pages 65 to 88 form an integral part of these financial statements.

Statement of Changes in Net Assets

For the year ended 31 December 2024 [31]	Notes	Net assets attributable to shareholders (€)
As at 1 January 2024		**249,949,328**
Issuance and subscriptions arising from conversion of ordinary shares	11	6,945,476
Redemption payments arising on conversion and tender of ordinary shares	11	(16,515,873)
Increase in net assets attributable to shareholders from operations		20,548,169
Net foreign currency exchange gain on opening ordinary shares	11	7,311,577
As at 31 December 2024		**268,238,677**

For the year ended 31 December 2023	Notes	Net assets attributable to shareholders (€)
As at 1 January 2023		**236,839,070**
Issuance and subscriptions arising from conversion of ordinary shares	11	533,224
Redemption payments arising on conversion and tender of ordinary shares	11	(22,126,374)
Increase in net assets attributable to shareholders from operations		31,741,632
Net foreign currency exchange gain on opening ordinary shares	11	2,961,776
As at 31 December 2023		**249,949,328**

[31] The notes on pages 65 to 88 form an integral part of these financial statements.

Statement of Cash Flows

For the year ended 31 December 2024 [32]

	Notes	Year ended 31 December 2024 (€)	Year ended 31 December 2023 (€)
Cash flows from operating activities			
Profit before taxation [33]		20,548,169	31,741,632
Adjustments to reconcile profit before taxation to net cash flows:			
- Net gains on financial assets held at fair value through profit or loss	6	(20,217,647)	(31,912,591)
- Foreign exchange gain on financial assets held at fair value through profit or loss	6	(7,232,559)	(2,941,492)
- Foreign exchange loss on ordinary shares	11	7,311,577	2,961,776
- Dividends paid	12	21,642,838	18,948,851
- Other net foreign exchange (gain)/loss [34]		(78,767)	3,224
Changes in working capital:			
- Increase in prepayments		(3,295)	(7,784)
- Increase/(decrease) in payables		44,776	(232,357)
Net cash provided by operating activities		**22,015,092**	**18,561,259**

	Notes	Year ended 31 December 2024 (€)	Year ended 31 December 2023 (€)
Cash flows from investing activities			
Purchase and subscriptions of financial assets held at fair value through profit or loss [35]	6	(5,311,203)	-
Proceeds from redemption of financial assets held at fair value through profit or loss [35]	6	14,624,221	21,223,747
Net cash provided by investing activities		**9,313,018**	**21,223,747**
Cash flows from financing activities			
Proceeds from issuance of ordinary shares		4,243,076	-
Payments from redemption of ordinary shares [36]	11	(13,838,304)	(21,593,903)
Dividends paid	12	(21,642,838)	(18,948,851)
Net cash used in financing activities		**(31,238,066)**	**(40,542,754)**
Net increase/(decrease) in cash and cash equivalents in the year		**90,044**	**(757,748)**
Effect of exchange rate changes on cash and cash equivalents		78,767	(3,224)
Cash and cash equivalents at beginning of the year		1,435,723	2,196,695
Cash and cash equivalents at the end of the year		**1,604,534**	**1,435,723**

[32] The notes on pages 65 to 88 form an integral part of these financial statements.
[33] Includes cash receipts relating to income distributions of €23,426,613 (2023: €19,928,600), bank interest of €95,309 (2023: €103,155) and tender fee revenue of €128,482 (2023: €206,590).
[34] Other net foreign exchange (gain)/loss arising on translation of cash and cash equivalents.
[35] Cash flows arising from subscriptions and redemptions of financial assets above do not include subscriptions and redemptions arising from the conversion of PECS of €(3,766,053) (2023: €(533,224)) and €3,724,112 (2023: €532,471), respectively, as these transactions have no associated cash flow, except for one: during the year, there was a GBP PECs subscriptions of €1,063,653 and EURO PECs redemptions of €(1,046,543) to settle a receivable balance in the Sterling share class from the EURO share class. The Sterling share class had paid all GBP expenses on behalf of both share classes and the PECs were converted to settle this liability.
[36] Cash flows arising from the redemption of ordinary shares above does not include subscriptions and redemptions arising from conversion of ordinary shares of €2,702,400 (2023: €533,224) and €(2,677,569) (2023: €(532,471)), respectively, as these transactions have no associated cash flow.

Notes to the Financial Statements

1. General information

The Company was incorporated on 20 March 2013 and is registered in Jersey as a closed-ended investment company with registration number 112635. The Company's Sterling shares and Euro shares were admitted to the Official List of the UK Listing Authority and admitted to trading on the Main Market in the Equity Shares (Commercial Companies) (ESCC) category of the London Stock Exchange on 25 June 2013.

The Company's registered address is IFC1, The Esplanade, St Helier, Jersey, JE1 4BP.

2. Accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to the years presented.

2.1 Basis of preparation

(a) Statement of Compliance

The Annual Financial Report is prepared in accordance with the Disclosure Guidance and Transparency Rules of the Financial Conduct Authority and with IFRS as adopted by the European Union which comprise standards and interpretations approved by the International Accounting Standards Board, and interpretations issued by the International Financial Reporting Standards Interpretations Committee as approved by the International Accounting Standards Board which remain in effect. The financial statements give a true and fair view of the Company's affairs and comply with the requirements of the Companies (Jersey) Law 1991.

(b) Basis of measurement

These financial statements have been prepared on the historical cost basis except for the revaluation of financial assets held at fair value through profit or loss and ordinary shares that are held at amortised cost.

(c) Functional and presentational currency

The Company's functional currency is the Euro, which is the currency of the primary economic environment in which it operates. The Company's performance is evaluated and its liquidity is managed in Euros. Therefore, the Euro is considered the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions. The financial statements are presented in Euros, except where otherwise indicated, and are rounded to the nearest Euro.

(d) Significant accounting estimates and judgements

The preparation of financial statements in conformity with IFRS requires the Company to make judgements, estimates and assumptions that affect items reported in the Statement of Financial Position and Statement of Comprehensive Income and the disclosure of contingent liabilities at the date of the financial statements. It also requires management to exercise its judgement in the process of applying the Company's accounting policies.

Significant accounting judgements

Classification of ordinary shares as a financial liability

During the April 2024 AGM, shareholders reapproved a suspension restriction that allows the Directors, in their sole discretion, to alter or suspend the tender mechanism. This restriction allows the Directors to respond to sudden changes in market conditions and the macroeconomic climate more generally. The Directors' power is limited by clauses in the circular which limit the circumstances under which such discretion can be exercised only in relation to material and adverse changes in market conditions and the macroeconomic environment.

The Board believes it is appropriate to classify the ordinary shares as a financial liability under IAS 32 – Financial Instruments: Presentation ("IAS 32") rather than equity as their interpretation of 'suspend' is to delay the facility tenders, not to cancel or avoid them permanently. As such, the obligation to honour redemption requests is delayed rather than negated and the Company has a contractual obligation to deliver cash and does not have the unconditional right to avoid paying such cash.

2. Accounting policies (continued)

2.1 Basis of preparation (continued)

(d) Significant accounting estimates and judgements (continued)

Significant accounting judgements (continued)

Classification of ordinary shares as a financial liability (continued)

This position has been further supported by legal correspondence whereby the Company's legal counsel has confirmed the Directors do not have unfettered ability to cancel a tender under the facility and could only use their powers in extreme circumstances which would not violate the contract between the Directors and the shareholders in relation to the facility. In the circular, the Company has committed to the tender mechanism as a key feature and, therefore, if the Directors' powers are read in the context of the other representations in the documents, there is an obligation to deliver cash and the Directors do not have the unconditional right to avoid paying such cash. As such, classification of the ordinary shares as a liability is deemed appropriate.

Functional and presentational currency

As outlined above in note 2.1(c) the Directors have used their judgement to determine that the Company's presentational and functional currency is Euro.

Significant accounting estimates

Valuation of financial assets

Valuation of financial assets is also considered a significant estimate and is monitored by the Board to ensure that judgements, estimates and assumptions made and methodologies applied are appropriate and in accordance with IFRS 13. The Board believes that it is appropriate to measure the PECs at the NAV of the investments held in the Investment Vehicle, adjusted for discount for lack of liquidity if necessary, as the underlying investments held in the Investment Vehicle are held at fair value. As such the Board applies judgement to determine the liquidity adjustment necessary in the relevant financial period. Refer to note 2.4(c) for details regarding fair value estimation of financial assets and note 6 for IFRS 13 disclosures.

(e) Climate change

In preparing the financial statements, the Directors have considered the impact of climate change on the Company's financial statements, and in particular in relation to climate change related issues affecting any of the issuers in which the Investment Vehicle invests, and this is advised to the Board regularly by the Investment Vehicle Manager. The Directors will continue to monitor the risks emanating from climate change, including reputational risk, identified in the Principal Risks and Uncertainties on pages 21 to 24, and as set out in the ESG Committee Report on pages 50 to 51.

(f) Standards and amendments to existing standards effective from 1 January 2024

There are no standards, amendments to standards or interpretations that are effective for annual periods beginning on 1 January 2024 that have a material effect on the financial statements of the Company.

Notes to the Financial Statements (continued)

2. Accounting policies (continued)

2.1 Basis of preparation (continued)

(g) Standards, amendments and interpretations issued but not yet effective

Standards, amendments and interpretations that become effective in future accounting periods and have not been early adopted by the Company:

	Effective for periods beginning on or after
Amendments to IAS 21 - Lack of exchangeability	1 January 2025
Amendments to the Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and 7	1 January 2026
Contracts referencing Nature-dependent Electricity – Amendments to IFRS 9 and 7	1 January 2026
IFRS 18 - Presentation and disclosure in financial statements	1 January 2027
IFRS 19 – Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to IFRS 10 and IAS 28 - Sale or contribution of assets between an Investor and its Associate or Joint Venture	Optional

The Directors believe that the above are not applicable to the operations of the Company, except for IFRS 18, which includes requirements for all entities applying IFRS Accounting Standards for the presentation and disclosure of information in financial statements. IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new.

2.2 Going concern

The Directors have reviewed the Company's budget and cash flow forecast for the next 12 months from the date of approval of the financial statements. The assessment also incorporates stress testing, including evaluating the impact on the Company if it received applications to redeem shares in the next 12 months up to the maximum allowable under the tender mechanism. On the basis of this review, and after making due enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the period to 26 March 2026, a period of twelve months from the date of approval of the financial statements, being the period of assessment covered by the Directors. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

2.3 Foreign currency translations

Transactions in foreign currencies are translated to Euro at the foreign exchange rate on the transaction date. Monetary assets and liabilities denominated in foreign currencies at the Statement of Financial Position date are translated to Euro at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the Statement of Comprehensive Income.

Notes to the Financial Statements (continued)

2. Accounting policies (continued)

2.4 Financial instruments

Financial assets

(a) Classification

The Company classifies its investments as financial assets held at fair value through profit or loss. These financial assets do not possess contractual terms which give rise to cash flows on specified dates that are solely payments of principal and interest, and therefore these financial assets default to this classification. Financial assets also include cash and cash equivalents as well as other receivables which are measured at amortised cost.

(b) Recognition, measurement and de-recognition

Purchases and sales of investments are recognised on the trade date – the date on which the Company commits to purchase or sell the investment. Financial assets at fair value through profit or loss are measured initially and subsequently at fair value. Transaction costs are expensed as incurred and movements in fair value are recorded in the Statement of Comprehensive Income.

Financial assets are de-recognised when the rights to receive cash flows from the investments have expired or the Company has transferred substantially all risks and rewards of ownership.

(c) Fair value estimation

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Company holds PECs issued by the Investment Vehicle. These investments are not listed or quoted on any securities exchange and are not traded regularly and, on this basis, no active market exists.

(d) Valuation process

The Company relies on the board of the Investment Vehicle making fair value estimates of an equivalent basis to those that would be made under IFRS. As at 31 December 2024, the Directors reviewed documentary evidence of the valuation of Investment Vehicle investments and scrutinised fair value estimates used to gain assurances as to the appropriateness and robustness of the valuation methodology applied by the Investment Vehicle to its underlying portfolio assets and hence to the Company investments in the Investment Vehicle. Being satisfied by the appropriateness and robustness of the valuation methodology applied by the Investment Vehicle, the Directors then incorporated those fair value estimates into the Company's Statement of Financial Position without adjustment.

The Directors obtained regular reports and updates from the Investment Vehicle Manager in order to verify how the PECs are valued and the composition of the NAV of the PECs as of the date of the Statement of Financial Position.

The Directors are in regular communications with the Investment Vehicle Manager and receive monthly performance reports from the Investment Vehicle Manager in respect of the Investment Vehicle and its underlying investments, which are presented to the Directors by the Investment Vehicle Manager and discussed by these parties.

The Directors consider the impact of general credit conditions on the valuation of both the PECs and Investment Vehicle portfolio, as well as specific credit events in the European corporate environment. The Directors also analyse the Investment Vehicle portfolio in terms of both investment mix and fair value hierarchy.

Notes to the Financial Statements (continued)

2. Accounting policies (continued)

2.4 Financial instruments (continued)

Financial Liabilities

(a) Classification

As disclosed in note 2.7, the Company classifies its ordinary shares as financial liabilities held at amortised cost. Financial liabilities also include payables, excluding accruals, which are also held at amortised cost.

(b) Recognition, measurement and de-recognition

Financial liabilities are recognised initially at fair value plus any directly attributable incremental costs of acquisition or issue and are subsequently carried at amortised cost. Financial liabilities are de-recognised when the obligation specified in the contract is discharged, cancelled or expires.

Ordinary shares are carried at amortised cost, being the redemption value that an investor can partially tender their shareholding at, in accordance with the Company's tender mechanism.

2.5 Operating expenses, placing programme costs and share issue costs

Operating expenses, placing programme costs and share issue costs are recognised on an accruals basis and are recognised in the Statement of Comprehensive Income.

2.6 Dividends payable

Dividends are recognised as finance costs in the Statement of Comprehensive Income on the record date.

2.7 Ordinary shares

In accordance with IAS 32 – Financial Instruments: Presentation, the ordinary shares are classified as a financial liability rather than equity due to the redemption mechanism of the ordinary shares, in addition to there being two share classes which have different characteristics. Refer to note 2.1(d) for detail on significant accounting judgements regarding the classification of ordinary shares as a financial liability and note 11 for detail on the characteristics of the two share classes.

2.8 Management shares

The management shares are non-redeemable and the most subordinate share class. Therefore, management shares are classified as equity. Refer to note 10 for further detail.

2.9 Investment revenue

Investment revenue primarily relates to quarterly income distributions received from the Investment Vehicle based on income returns and capital appreciation from a diversified portfolio of sub-investment grade debt instruments. The Company is entitled to receive income distributions every quarter, which will equate to not less than 75% of the net income of the Company's investment in the Investment Vehicle. Investment revenue is recognised in the Statement of Comprehensive Income when the Company's right to such income is established.

2.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks. Cash equivalents are short-term, highly liquid investments, with original maturities of three months or less that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

2.11 Segmental reporting

The Directors view the operations of the Company as one operating segment, being the investment business. All significant operating decisions are based upon analysis of the Company's investments as one segment. The financial results from this segment are equivalent to the financial results of the Company as a whole, which are evaluated regularly by the Board with insight from the Investment Vehicle Manager.

Notes to the Financial Statements (continued)

2. Accounting policies (continued)

2.12 Contingent liabilities and provisions

A contingent liability is a possible obligation depending on whether some uncertain future event occurs; or a present obligation, but payment is not probable or the amount cannot be measured reliably. A provision is recognised when:

- the Company has a present legal or constructive obligation as a result of past events;
- it is probable that an outflow of resources will be required to settle the obligation; and
- the amount has been reliably estimated.

2.13 Taxation

Profits arising in the Company for the 2024 year of assessment will be subject to Jersey tax at the standard corporate income tax rate of 0% (2023: 0%).

2.14 Capital risk management

The Board defines capital as financial resources available to the Company. The Company's capital as at 31 December 2024 comprises its net assets attributable to shareholders at a total of €268,238,677 (2023: €249,949,328).

The Company's objectives when managing capital are to:

- safeguard the Company's ability to continue as a going concern;
- provide returns for shareholders; and
- maintain an optimal capital structure to minimise the cost of capital.

The Board monitors the capital adequacy of the Company on an ongoing basis and the Company's objectives regarding capital management have been met.

Under the Code of Practice for Alternative Investment Funds and AIF Services Business, the Company, as a self-managed AIF is required to have an initial capital of at least €300,000. If the NAV of the Company falls below €75 million, it will trigger the requirement for the Directors to convene an extraordinary general meeting to propose an ordinary resolution that the Company continues its business as a closed-ended investment company. Except for the aforementioned, the Company has no other internally or externally imposed capital requirements.

3. Investment and Tender fee revenue

Investment revenue

Investment revenue primarily relates to quarterly income distributions received from the Investment Vehicle based on income returns and capital appreciation from a diversified portfolio of sub-investment grade debt instruments. The Company is entitled to receive income distributions every quarter, which will equate to not less than 75% of the net income of the Company's investment in the Investment Vehicle. Investment revenue is recognised in the Statement of Comprehensive Income when the Company's right to such income is established.

Tender fee revenue

The tender price pursuant to the Company's tender mechanism is calculated based on the NAV per share (i) as at the final business day of the month of September; or (ii) as at the final business day of the month of March, or such other date as the Directors in their absolute discretion may determine from time to time) minus 1.0% of the reference price (the reference price being the NAV at a predetermined date), which is retained by the Company. The Company recognises retained redemption proceeds of 1% as tender fee revenue. Tender fee revenue is recognised in the Statement of Comprehensive Income when the Company's right to such income is established.

During the year ended 31 December 2024, 2,759,549 Sterling shares and 9,588,202 Euro shares (2023: 11,026,640 Sterling shares and 7,979,914 Euro shares) were tendered by shareholders which generated tender fee revenue of €128,482 (2023: €206,590).

Refer to note 11 for further details on the tender mechanism.

Notes to the Financial Statements (continued)

4. Operating expenses

	Year ended 31 December 2024 (€)	Year ended 31 December 2023 (€)
Directors’ fees (see note 5)	337,818	321,113
Administration fees	249,819	248,313
Professional fees	244,891	147,758
Advisor fees	151,192	133,760
Audit fees	94,392	91,184
Non-audit fees paid to the Auditor	16,657	14,603
Registrar fees	83,080	65,349
Regulatory fees	64,403	52,524
Corporate broker fees	73,904	60,199
Marketing fees	70,596	69,396
Trustee fees	10,707	11,039
Sundry expenses	279,334	221,707
Total operating expenses	**1,676,793**	**1,436,945**

Non-audit fees paid to the Auditor

Non-audit fees paid to the Auditor relate to interim review services.

Advisor fees

Cadarn Capital Ltd were engaged to provide distribution and investor relations services to the Company. The agreement for CVC Credit Partners Investment Services Management Limited to provide the services of Mr Justin Atkinson to assist with the marketing and promotion of the Company’s shares was terminated effective 31 August 2023.

Trustee fees

Trustee fees relate to fees paid to the trustee of the Trust which facilitates the conversion of treasury shares as further described in note 11, should there be a need, in the event that insufficient treasury shares exist for a particular share class. As the Trust was not engaged to convert treasury shares during the year ended 31 December 2024, the Trust did not earn any commission fee income for providing such services and only received trustee fees.

5. Directors’ fees and interests

Annual Director fees are detailed in the Directors’ Remuneration Report. Director shareholdings are detailed in the Directors' Report.

Refer to note 4 for details of total Directors’ fees for the years ended 31 December 2024 and 31 December 2023 and the Directors’ Remuneration Report for details on fees paid to each Director. Directors’ fees are paid gross of any taxes. Expenses incurred by the Directors are included within sundry expenses in note 4.

No pension contributions were paid or are payable in respect of any of the Directors.

Robert Kirkby acts as the enforcer of the Trust, refer to note 16 for further details.

Details of Director share purchases after the Statement of Financial Position date can be found in note 17.

Notes to the Financial Statements (continued)

6. Financial assets held at fair value through profit or loss

	31 December 2024 (€)	31 December 2023 (€)
PECs - Unquoted investment	266,762,434	248,600,415

The PECs are valued taking into consideration a range of factors including the audited NAV of the Investment Vehicle as well as available financial and trading information of the Investment Vehicle and of its underlying portfolio; the price of recent transactions of PECs redeemed and advice received from the Investment Vehicle Manager; and such other factors as the Directors, in their sole discretion, deem relevant in considering a positive or negative adjustment to the valuation.

Refer below for the reconciliation of number of equity certificates of PECs from 1 January 2023 to 31 December 2024:

	Sterling PECs	Euro PECs
As at 1 January 2023	**127,666,119.03**	**103,934,273.50**
Subscriptions	-	-
Monthly conversions	436,782.21	(546,555.97)
Contractual tenders	(11,030,305.00)	(7,811,398.00)
As at 31 December 2023	**117,072,596.24**	**95,576,319.53**
Subscriptions	3,145,292.72	-
Monthly conversions	2,881,317.04	(3,591,965.96)
Contractual tenders	(2,760,057.00)	(9,406,195.00)
As at 31 December 2024	**120,339,149.00**	**82,578,158.57**

Fair value hierarchy

IFRS 13 requires an analysis of investments valued at fair value based on the reliability and significance of information used to measure their fair value.

The Company categorises its financial assets and financial liabilities according to the following fair value hierarchy detailed in IFRS 13, that reflects the significance of the inputs used in determining their fair values:

Level 1: Quoted market price (unadjusted) in an active market for an identical instrument.

Level 2: Valuation techniques based on observable inputs, either directly (i.e., as prices) or indirectly (i.e., derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.

Level 3: Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable variable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

Notes to the Financial Statements (continued)

6. Financial assets held at fair value through profit or loss (continued)

Fair value hierarchy (continued)

Level 3 (continued)

As at 31 December 2024

	Level 1 (€)	Level 2 (€)	Level 3 (€)	Total (€)
Financial assets				
Financial assets held at fair value through profit or loss	-	-	266,762,434	266,762,434
Financial liabilities				
Ordinary shares[37]	263,728,643	-	-	263,728,643

As at 31 December 2023

	Level 1 (€)	Level 2 (€)	Level 3 (€)	Total (€)
Financial assets				
Financial assets held at fair value through profit or loss	-	-	248,600,415	248,600,415
Financial liabilities				
Ordinary shares[37]	227,650,626	-	-	227,650,626

[37] As disclosed in note 2.7, the Company classifies its ordinary shares as financial liabilities held at amortised cost. For disclosure purposes only, ordinary shares have been disclosed at fair value using the quoted price in accordance with IFRS 13.

The financial assets held at fair value through profit or loss is the Company's unquoted investment in the PECs and is assessed on an ongoing basis by the Board. The valuation of the PECs is detailed above. The valuation process for the investments held by the Investment Vehicle is detailed in the 'Investment Vehicle portfolio' section in Useful Information for Shareholders.

Due to the short-term nature of the payables, their carrying amount is considered to be the same as their fair value.

The carrying amount of cash and cash equivalents is considered to be the same as their fair value.

Notes to the Financial Statements (continued)

6. Financial assets held at fair value through profit or loss (continued)

Fair value hierarchy (continued)

Level 3 reconciliation

The following table shows a reconciliation of all movements in the fair value of financial assets held at fair value through profit or loss categorized within Level 3.

31 December 2024

	€
Balance as at 1 January 2024	**248,600,415**
Purchases	4,247,550
Subscriptions arising from conversion	3,766,053
Redemption proceeds arising from conversion	(3,724,112)
Redemption proceeds arising from tenders	(13,577,678)
Net gain on financial assets held at fair value through profit or loss	20,217,647
Foreign exchange gain on financial assets held at fair value through profit or loss	7,232,559
Balance as at 31 December 2024	**266,762,434**
Net gain on financial assets held at fair value through profit or loss for the year ended 31 December 2024	**27,450,206** [38]

During 2024, there were no reclassifications between levels of the fair value hierarchy.

31 December 2023

	€
Balance as at 1 January 2023	**234,969,326**
Subscriptions arising from conversion	533,224
Redemption proceeds arising from conversion	(532,471)
Redemption proceeds arising from tenders	(21,223,747)
Net gain on financial assets held at fair value through profit or loss	31,912,591
Foreign exchange gain on financial assets held at fair value through profit or loss	2,941,492
Balance as at 31 December 2023	**248,600,415**
Net gain on financial assets held at fair value through profit or loss for the year ended 31 December 2023	**34,854,083** [39]

During 2023, there were no reclassifications between levels of the fair value hierarchy.

[38] This amount includes the net gain on financial assets held at fair value through profit or loss of €20,217,647 and the foreign exchange gain on financial assets held at fair value through profit or loss of €7,232,559.

[39] This amount includes the net gain on financial assets held at fair value through profit or loss of €31,912,591 and the foreign exchange gain on financial assets held at fair value through profit or loss of €2,941,492.

6. Financial assets held at fair value through profit or loss (continued)

Fair value hierarchy (continued)

Level 3 reconciliation (continued)

Quantitative information of significant unobservable inputs – Level 3 – PECs

Description	31 December 2024 (€)	Valuation technique	Unobservable input	Input used
PECs	266,762,434	Adjusted NAV	Discount for lack of liquidity	0%

Description	31 December 2023 (€)	Valuation technique	Unobservable input	Input used
PECs	248,600,415	Adjusted NAV	Discount for lack of liquidity	0%

The Board believes that it is appropriate to measure the PECs at the NAV of the investments held in the Investment Vehicle, adjusted for discount for lack of liquidity if necessary, as the underlying investments held in the Investment Vehicle are held at fair value. The Investment Vehicle's underlying investments are predominantly traded (circa 98%) and liquid at the Investment Vehicle level. The Board has concluded that no adjustment was necessary for the year ended 31 December 2024 (2023: none), given that the PECs have not been redeemed at a price below the NAV during current and prior periods.

The NAV of the Investment Vehicle attributable to each PEC unit is €1.3146 (2023: €1.0280).

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

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

As at 31 December 2024

Description	Input	Sensitivity used	Effect on fair value (€)
PECs	Discount of lack of liquidity	3%	(8,002,873)

As at 31 December 2023

Description	Input	Sensitivity used	Effect on fair value (€)
PECs	Discount of lack of liquidity	3%	(7,458,012)

The sensitivity applied in the analysis above reflects the possible impact of the worst case scenario in the 0-3% (2023: 0-3%) range that is applicable to the discount for lack of liquidity. This level of change is considered to be reasonably possible based on observation of current market conditions and historical trends that do not suggest the possibility of a more than 3% decline in the redemption value when compared to the NAV. Refer to note 2.4 for valuation methodology of PECs.

Information on the investment holding of the Company at the Investment Vehicle level, which is provided by the Investment Vehicle Manager, can be found in the Useful Information for Shareholders section.

Notes to the Financial Statements (continued)

7. Financial risk management

The main risks arising from the Company's financial instruments are credit risk, liquidity risk, market risk, interest rate risk, valuation risk and foreign currency risk.

7.1 Credit risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Company. The Board has in place monitoring procedures in respect of counterparty risk which is reviewed on an ongoing basis.

The Company's credit risk is attributable to its financial assets at fair value through profit or loss, financial assets receivable and cash and cash equivalents.

In the opinion of the Board, the carrying amounts of financial assets best represent the maximum credit risk exposure to the Company. The Company's financial assets exposed to credit risk amounted to the following:

	31 December 2024 (€)	31 December 2023 (€)
Financial assets held at fair value through profit or loss	266,762,434	248,600,415
Cash and cash equivalents	1,604,534	1,435,723
Total assets	**268,366,968**	**250,036,138**

The Company is indirectly exposed to credit risks associated with the investments held by the Investment Vehicle. These credit risks include (among others): (i) the possibility that earnings of an underlying issuer may be insufficient to meet its debt service obligations; (ii) an underlying issuer's assets declining in value; (iii) the declining creditworthiness of the Investment Vehicle's financial counterparties; and (iv) the declining creditworthiness, default and potential for insolvency of issuers during periods of rising interest rates and/or economic downturn. An economic downturn and/or rising interest rates could severely disrupt the leveraged finance market and adversely affect the value of the Investment Vehicle's investments and the ability of issuers to repay principal and interest. In turn, this may adversely affect the performance of the Investment Vehicle and, by extension, the Company's business, financial condition, results of operations, NAV and/or the market prices of the ordinary shares.

The Board discusses the creditworthiness of the Investment Vehicle's underlying portfolio constituents and banking counterparties (e.g., banks, money market funds and the issuers of the debt securities) with CVC Credit Partners on a periodic basis.

The Investment Vehicle's investment portfolio exposure categorised according to the credit rating of the issuers, is: BB 7%, B 70%, CCC 17% and not rated 6% (2023: BB 9%, B 63%, CCC 18% and not rated 10%). Cash and cash equivalents exposure is with institutions rated A+ 3% and AA- 97% (2023: A+ 100%). Derivative financial instruments are held in the Investment Vehicle and the market value exposure is with institutions rated A+ 75% and A- 25% (2023: A+ 38% and A- 62%).

The Company's cash amounts are placed with BNP Paribas S.A., Jersey Branch and Santander Financial Services plc, Jersey Branch.

BNP Paribas S.A., Jersey Branch, is a wholly owned subsidiary of BNP Paribas Securities Services S.A. which is publicly traded and a constituent of the S&P 500 Index with a long-standing credit rating of A+ (2023: A+) from S&P Global Ratings (formerly Standard & Poor's). Santander Financial Services plc, Jersey Branch, is a wholly owned subsidiary of Santander International with a long-term credit rating of A1 (2023: A1) from Moody's.

There is no expected credit loss on cash and cash equivalents.

7. Financial risk management (continued)

7.2 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulties in realising assets or otherwise raising funds to meet financial commitments. Given that the PECs issued by the Investment Vehicle and held by the Company are not traded on a stock exchange, the Company relies on the periodic redemption mechanism provided by the Investment Vehicle in order to realise its investments in the Investment Vehicle, and on mechanisms operating in accordance with their contracted terms. The Company does not have any control over the redemption mechanism operated by the Investment Vehicle.

Refer to Principal Risks and Uncertainties on pages 21 to 24 and note 11 for detail regarding the option available to ordinary shareholders to tender their shares, and the applicable restrictions around that tender mechanism.

The Company may redeem PECs in accordance with its contracted rights. However, if the Investment Vehicle receives applications to redeem Investment Vehicle interests in respect of any redemption date and it determines (in its sole judgement) that there is insufficient liquidity to make redemptions without prejudicing existing investors in the Investment Vehicle, then the Investment Vehicle is entitled to suspend or scale down the redemption requests on a pro rata basis so as to only carry out redemptions that will not prejudice remaining investors.

As such, in circumstances where the Company wishes to redeem part or all of its holdings in the Investment Vehicle, it may not be able to achieve this on a single redemption date. This may also result in restrictions on the Company's ability to complete or to conduct the tender mechanism.

In certain circumstances, whether prior to or following a NAV determination date, (being the Investment Vehicle valuation date), the Investment Vehicle directors may, at their discretion, suspend all calculations, payments and redemptions of the outstanding Investment Vehicle interests (including the Company's Investment Vehicle interests).

In the event of a material adverse event occurring in relation to the Investment Vehicle or the market in which it operates generally, the ability of the Company to realise its investment and prevent the possibility of further losses could, therefore, be limited by its restricted ability to realise its investment in the Investment Vehicle.

This delay could materially affect the value of the PECs and the timing of when the Company is able to realise its investments in the Investment Vehicle, which may adversely affect the Company's business, financial condition, results of operations, NAV and/or the market prices of the ordinary shares.

The table below shows the worst case scenario of the residual contractual maturity of the Company's financial liabilities and the best case scenario for the financial assets:

31 December 2024	Less than 1 year (€)	1 to 5 years (€)	Total (€)
Financial assets			
Financial assets held at fair value through profit or loss [40]	145,094,523	121,667,911	266,762,434
Cash and cash equivalents	1,604,534	-	1,604,534
Total undiscounted financial assets	**146,699,058**	**121,667,910**	**268,366,968**

[40] The Company has classified financial assets held at fair value through profit or loss into maturity bands based on the annual maximum redeemable PECs set by the Investment Vehicle Manager at 50% (2023: 50%) after the expected income distribution which amounted to €23,426,612 (2023: €19,928,600).

7. Financial risk management (continued)

7.2 Liquidity risk (continued)

31 December 2024	Less than 1 year (€)	1 to 5 years (€)	Total (€)
Financial liabilities			
Payables	(189,744)	-	(189,744)
Ordinary shares [41]	(67,059,669)	(201,179,008)	(268,238,677)
Total undiscounted financial liabilities	**(67,249,413)**	**(201,179,008)**	**(268,428,421)**

31 December 2023	Less than 1 year (€)	1 to 5 years (€)	Total (€)
Financial assets			
Financial assets held at fair value through profit or loss [40]	134,236,322	114,364,093	248,600,415
Cash and cash equivalents	1,435,723	-	1,435,723
Total undiscounted financial assets	**135,672,045**	**114,364,093**	**250,036,138**

31 December 2023	Less than 1 year (€)	1 to 5 years (€)	Total (€)
Financial liabilities			
Payables	(144,968)	-	(144,968)
Ordinary shares [41]	(62,487,332)	(187,461,996)	(249,949,328)
Total undiscounted financial liabilities	**(62,632,300)**	**(187,461,996)**	**(250,094,296)**

In the ordinary course of business, the Directors expect the Company's tender mechanism to be funded by redemptions from the Investment Vehicle, excepting cumulative tenders received in an amount equal to or less than £100,000 which may initially, at the discretion of the Directors, be funded from the Company's working capital.

7.3 Market risk

Market risk is the risk that the Company's performance will be adversely affected by changes in the markets in which it invests. The Company holds a single investment in the form of PECs in the Investment Vehicle which is the main driver of the Company's performance.

At the Investment Vehicle level, performance is driven by the portfolio of the Investment Vehicle and therefore consideration of the market risks to which the Company is exposed should be taken.

The Investment Vehicle is required to hold at least 60% of its gross assets in companies domiciled in, or with material operations in, Western Europe. As such, the Company and the Investment Vehicle could be particularly exposed to any deterioration in the current geopolitical and European economic climate.

[41] The Company has classified the ordinary shares into maturity bands based on the approved limits of the shares redeemable by the shareholders with the maximum annual limit set at 25% (2023: 25%). Details of the Company's financial liabilities in relation to the ordinary shares, which are carried at amortised cost, are set out in note 11. The ordinary shares above include the lifetime decrease in net assets attributable to the Sterling and Euro shares.

Notes to the Financial Statements (continued)

7. Financial risk management (continued)

7.3 Market risk (continued)

In addition, the Investment Vehicle does not have any restrictions on the amount of investments it can make in a single industry. As such, any significant event which affects a specific industry in which the Investment Vehicle has significant exposure could materially and adversely affect the performance of the Investment Vehicle and, by extension, the Company's ordinary shares.

In order to avoid excessive concentrations of risk, the Investment Vehicle's private placement memorandum includes specific guidelines on maintaining a diversified portfolio. These guidelines are detailed in the 'investment limits' and 'borrowing limits' sections on the Company's website: ig.cvc.com/overview/investment-policy/. The Board receives from third-party service providers the results of investment and borrowing restriction monitoring exercises performed over the investment portfolio. During the years ended 31 December 2024 and 31 December 2023, the Company complied with all investment and borrowing limits.

Continued or recurring market deterioration may materially adversely affect the ability of an issuer whose debt obligations form part of the Investment Vehicle portfolio to service its debts or refinance its outstanding debt. Further, such financial market disruptions may have a negative effect on the valuations of the Investment Vehicle investments (and, by extension, on the NAV and/or the market price of the Company's ordinary shares), and on liquidity events involving such Investment Vehicle investments. In the future, non-performing assets in the Investment Vehicle's portfolio may cause the value of the Investment Vehicle's portfolio to decrease (and, by extension, the NAV and/or the market price of the Company's ordinary shares to decrease). Adverse economic conditions may also decrease the value of any security obtained in relation to any of the Investment Vehicle investments. The Board receives frequent presentations and reporting at Board meetings from CVC Credit Partners which allows it to monitor the performance of the Investment Vehicle's investment portfolio.

Refer below for sensitivity analysis on the Statement of Comprehensive Income and NAV of the Company if the fair value of the PECs at the year-end increased or decreased by 5% (2023: 5%). This level of change is considered to be possible based on observation of current market conditions.

31 December 2024

Current value	Total	Increase by 5%	Decrease by 5%
Sterling PECs (Euro equivalent)	€174,680,025	€8,734,001	€(8,734,001)
Euro PECs	€92,082,409	€4,604,120	€(4,604,120)
Financial assets held at fair value through profit or loss	**€266,762,434**	**€13,338,122**	**€(13,338,122)**
Sterling PECs	£144,542,843	£7,227,142	£(7,227,142)

31 December 2023

Current value	Total	Increase by 5%	Decrease by 5%
Sterling PECs (Euro equivalent)	€150,351,877	€7,517,594	€(7,517,594)
Euro PECs	€98,248,538	€4,912,427	€(4,912,427)
Financial assets held at fair value through profit or loss	**€248,600,415**	**€12,430,021**	**€(12,430,021)**
Sterling PECs	£130,344,064	£6,517,203	£(6,517,203)

The above calculations are based on the investment valuation at the Statement of Financial Position date and may not be reflective of future market conditions.

7. Financial risk management (continued)

7.4 Interest rate risk

Interest rate movements affect the fair value of investments in fixed interest rate securities and floating rate loans and on the level of income receivable on floating rate loans and cash deposits.

The Company invests in PECs which are non-interest bearing and therefore the majority of the Company's interest rate exposure arises indirectly in the fair value of the underlying Investment Vehicle portfolio which is largely invested in the debt securities of companies domiciled in, or with material operations in, Western Europe.

As at 31 December 2024, the Investment Vehicle portfolio contained interest bearing financial assets at fair value through profit or loss of €793.9 million (2023: €626.7 million). Most of these investments in debt securities carry variable interest rates and have various maturity dates. Interest rate risk on fixed interest instruments is considered to be part of market risk on fair value and is monitored by the Board on a monthly basis. In addition, as at 31 December 2024, the Company was exposed to interest rate risk arising on the Investment Vehicle's derivative financial instruments, liability of €4.4 million (2023: asset of €2.5 million), receivables and payables on unsettled trades of €7.1 million (2023: €14.9 million) and €33.5 million (2023: €13.5 million), respectively, and loans and borrowings of €175.0 million (2023: €155.0 million).

The Company is also exposed to changes in interest rates on cash and cash equivalents held directly of €1,604,534 (2023: €1,435,723). The Board considers this risk to be immaterial to the Company.

7.5 Valuation risk

Valuation risk is the risk that the valuation of the Company's investments in the Investment Vehicle PECs, and accordingly the periodic calculation of the NAV of the Company's Sterling and Euro shares, does not reflect the true value of the Company's proportionate interest in the Investment Vehicle's underlying investment portfolio.

The Investment Vehicle's portfolio may at any given time include securities or other financial instruments or obligations which are very thinly traded, for which no ready market exists or which are restricted as to their transferability under applicable securities laws. These investments may be extremely difficult to value accurately. These currently account for a small part of the Investment Vehicle portfolio as circa 98% of the portfolio at the Investment Vehicle level is predominantly traded.

Further, because of overall size or concentration in particular markets of positions held by the Investment Vehicle, the value of its investments at which they can be liquidated may differ, sometimes significantly, from their carrying values. Third-party pricing information may not be available for certain positions held by the Investment Vehicle and therefore investments held by the Investment Vehicle may be valued based on valuation techniques using unobservable inputs. In light of the foregoing, there is a risk that an Investment Vehicle interest holder, such as the Company, which redeems all or part of its investment while the Investment Vehicle holds such investments, could be paid an amount less than it would otherwise be paid if the actual value of the Investment Vehicle's investment was higher than the value designated for that investment by the Investment Vehicle. Similarly, there is a risk that a redeeming Investment Vehicle interest holder might, in effect, be overpaid at the time of the applicable redemption if the actual value of the Investment Vehicle's investment was lower than the value designated for that investment by the Investment Vehicle, in which case the value of the Investment Vehicle interests to the remaining Investment Vehicle interest holders would be reduced.

The Board of the Investment Vehicle monitors and reviews the PEC valuation process periodically and the Board of the Company monitors and reviews the Company's NAV production process periodically.

Refer to note 6 for sensitivity analysis to significant changes in unobservable inputs within Level 3 hierarchy of the Company's investments and underlying investments held by the Investment Vehicle.

7. Financial risk management (continued)

7.6 Foreign currency risk

Foreign currency risk is the risk that the values of the Company's assets and liabilities are adversely affected by changes in the values of foreign currencies by reference to the Company's functional currency. The functional currency of the Company and the Investment Vehicle is the Euro.

At the Company level, the Sterling and Euro share classes invest into Sterling and Euro PECs, respectively, and therefore there is no material foreign currency risk at the Company level. The Company only has exposure to material foreign currency movements at the Investment Vehicle level.

At the Investment Vehicle level, certain assets are typically denominated in other currencies. The Investment Vehicle is subject to immaterial foreign currency exchange risks and the value of its assets may be affected by fluctuations in foreign currency exchange rates. This may, in turn, result in fluctuations in the value of the Sterling and Euro PECs which would result in similar variances within the NAV per share of the Sterling shares and Euro shares the issued by the Company, and so in variations between the market prices of Sterling shares and the Euro shares.

The Investment Vehicle uses a third-party professional foreign exchange manager, who regularly updates the Board, to seek to fully hedge the foreign currency exposures to which it is exposed. However, it may not be possible for the Investment Vehicle to hedge against a particular change or event at an acceptable price or at all. In addition, there can be no assurance that any attempt to hedge against a particular change or event would be successful, and any such hedging failure could materially and adversely affect the performance of the Investment Vehicle and, by extension, the Company's business, financial condition, results of operations, NAV and/or the market prices of the ordinary shares.

Subscription monies for Sterling shares issued by the Company have been used to fund subscriptions for Sterling-denominated PECs and such monies may then be converted to Euro by the Investment Vehicle for operating purposes. The holders of Sterling shares will therefore be subject to the foreign currency fluctuations between Sterling and Euro. Although the Investment Vehicle has in place a hedging programme, there is no guarantee that any such hedging arrangements will be successful. In addition, the costs and any benefit of hedging such foreign currency exposure will be allocated solely to the Sterling-denominated PECs (and, as a consequence, indirectly impacts the Company's Sterling Shares).

8. Payables

	31 December 2024 (€)	31 December 2023 (€)
Audit fees	35,323	41,379
Administration fees	22,031	21,576
Other payables	132,390	82,013
Total payables	**189,744**	**144,968**

9. Contingent liabilities and commitments

As at 31 December 2024, the Company had no contingent liabilities or commitments (2023: nil).

Notes to the Financial Statements (continued)

10. Stated capital

	Number of shares 31 December 2024	Stated capital 31 December 2024 €	Number of shares 31 December 2023	Stated capital 31 December 2023 €
Management shares	2	-	2	-

Management shares

Management shares are non-redeemable, have no par value and no voting rights, and also no profit allocated to them in the earnings per share calculation.

11. Ordinary shares

The Company has two classes of ordinary shares, being Sterling shares and Euro shares.

Each Sterling share holds 1.17 voting rights and each Euro share holds 1 voting right. Each share has no par value.

	Number of shares 31 December 2024	Stated capital 31 December 2024 €	Number of shares 31 December 2023	Stated capital 31 December 2023 €
Sterling shares	121,274,157	161,981,559	118,916,157	151,390,416
Euro shares	84,371,105	85,445,047	96,553,753	98,295,010
Total	**205,645,262** [42]	**247,426,606** [43]	**215,469,910** [42]	**249,685,426** [43]

[42] Excludes 247,192,784 (2023: 247,533,235) Sterling shares and 62,335,905 (2023: 52,747,703) Euro shares held as treasury shares.

[43] Excludes increase of €20,812,071 (2023: increase of €263,902) relating to net assets attributable to shareholders from operations since inception.

11. Ordinary shares (continued)

Share movements	31 December 2024 Total (€)	31 December 2023 Total (€)
Opening balance	**249,685,426**	**268,316,800**
Issue of ordinary shares	4,243,076	-
Subscriptions arising from conversion of ordinary shares	2,702,400	533,224
Redemption payments arising from conversion of ordinary shares	(2,677,569)	(532,471)
Redemption payments arising from tenders of ordinary shares	(13,838,304)	(21,593,903)
Foreign currency exchange gain on ordinary shares	7,311,577	2,961,776
Closing balance	**247,426,606**	**249,685,426**

As at 31 December 2024, the Company had 368,466,941 (inclusive of 247,192,784 treasury shares) (2023: 366,449,392 (inclusive of 247,533,235 treasury shares)) Sterling shares in issue and 146,707,010 (inclusive of 62,335,905 treasury shares) (2023: 149,301,456 (inclusive of 52,747,703 treasury shares)) Euro shares.

Sale of treasury shares

During the year ended 31 December 2024, 3,100,000 Sterling treasury shares at a simple average price of £1.1510 (2023: nil) and no Euro Shares treasury shares (2023: nil) were sold.

Refer to Note 17 for details on treasury share sales subsequent to the reporting period.

Share conversions

On the first Business Day of January and July of each year (each first Business Day of January or July of each year being a "Share Conversion Calculation Date"), shareholders can convert shares of any class into shares of any other class (of which shares are in issue at the relevant time) by giving not less than 10 business days' notice to the Company in advance of such Share Conversion Calculation Date, either through submission of the relevant instruction mechanism (for shareholders holding shares in uncertificated form) or through submission of a share conversion notice and the return of the relevant share certificate to the Company's registrars. This mechanism is subject to regulatory considerations.

Such share conversion will be effected on the basis of the ratio of the last reported NAV per share of the class of shares held (calculated in Euro less the costs of effecting such share conversion and adjusted to reflect the impact of adjusting any currency hedging arrangements and taking account of any dividends resolved to be paid), to the last reported NAV per share of the class of shares into which they will be converted (also calculated in Euro, and each as at the relevant share Conversion Calculation Date) in each case, for the avoidance of doubt, such Net Asset Value per share shall be calculated inclusive of accrued income.

During the year no (2023: none) Sterling shares were converted into (2023: none) Euro shares and 2,594,446 (2023: 542,669) Euro shares were converted into 2,017,549 (2023: 424,190) Sterling shares.

11. Ordinary shares (continued)

Treasury share convertor mechanism

The Company has created a mechanism whereby treasury shares held by the Company can be converted from one currency denomination to another in accordance with the procedure set out in the Articles. As a conversion cannot take place while the treasury shares are held by the Company, a facility was created so that some or all of the treasury shares could be sold to a related party, who would be willing to facilitate the conversion of the treasury shares from one currency denomination to another to meet demand in the market from time to time.

The Trust is a business purpose trust established under Jersey law. The purpose of the Trust is the facilitation of the conversion of the treasury shares by the incorporation of a company, Conversion SPV Limited ("Conversion Vehicle"), which would purchase treasury shares from the Company, convert them into shares of the other currency denomination and sell those converted shares back to the Company. The Chairman of the Company is the enforcer of the Trust.

The treasury share convertor mechanism was not utilised during the years ended 31 December 2024 and 31 December 2023.

Tender mechanism

The Company has established a tender mechanism that enables shareholders to tender their shares in the Company in accordance with a stated contracted mechanism.

The Directors believe that the Company's tender mechanism provides shareholders with additional liquidity when compared with other listed closed-ended investment companies. The offer of the Company's tender mechanism is subject to annual shareholder approval and subject to the terms, conditions and restrictions as set out in the prospectus.

There is an option for tendering shareholders to tender shares for placing with third-party investors as an alternative to having the shares repurchased by the Company. By participating in the placing, shareholders can realise their shares and receive the consideration for all successfully placed shares up to 10 weeks earlier than the consideration payable for shares repurchased by the Company pursuant to the relevant tender. Such an outcome will depend on the extent to which Winterflood Securities Limited identifies investors willing to buy the shares at a price per share which is equal to or higher than the floor price set by the Company (as detailed below). Shares not placed successfully will be repurchased in the same way as they would be under the current tender terms and conditions.

This section should be read in conjunction with the amended and restated tender terms and conditions which are available on the Company's website: CVC Income & Growth – Proven dynamic strategy to deliver cash yield & capital gains.

It is important to note that tenders, if made, are contingent upon certain factors including, but not limited to, the Company's ability to finance tender purchases through submitting redemption requests to the Investment Vehicle to redeem a pro rata amount of Company Investment Vehicle interests.

Factors, including restrictions at the Investment Vehicle level on the amount of PECs which can be redeemed, may mean that sufficient Company Investment Vehicle interests cannot be redeemed and, consequently, tender purchases in any given period may be scaled back on a pro rata basis.

In the absence of the availability of the tender mechanism shareholders wishing to realise their investment in the Company will be required to dispose of their shares on the stock market. Accordingly, shareholders' ability to realise their investment at any particular price and/or time may be dependent on the existence of a liquid market in the shares.

Liquidity risks associated with the tender mechanism are set out in note 7.2.

During the year 2,759,549 (2023: 11,026,640) Sterling shares and 9,588,202 (2023: 7,979,914) Euro shares were redeemed as part of the tender mechanism and subsequently held by the Company in the form of treasury shares. Treasury shares do not carry any right to attend or vote at any general meeting of the Company. In addition, the tender mechanism and the voluntary conversion facility are not available in respect of treasury shares.

Notes to the Financial Statements (continued)

11. Ordinary shares (continued)

Ad hoc purchase of shares

In addition to the tender mechanism, the Directors seek annual shareholder approval to grant them the power to make ad hoc market purchases of shares. If such authority is subsequently granted, the Directors will have complete discretion as to the timing, price and volume of shares to be purchased. Shareholders should not place any reliance on

the willingness or ability of the Directors so to act. Refer to note 2.1(d) for detail on significant accounting judgements regarding the classification of ordinary shares as a financial liability.

12. Dividends

The ordinary shares of each class carry the right to receive all income of the Company attributable to such class of ordinary share, and to participate in any distribution of such income made by the Company and within each such class such income shall be divided pari passu among the shareholders in proportion to the shareholdings of that class. During the years ended 31 December 2024 and 31 December 2023, the Company declared and paid dividends based on the investment revenue received from the Investment Vehicle during the year.

Refer below for dividend distributions paid to ordinary shareholders in the years ended 31 December 2024 and 31 December 2023.

Period	Amount per share	£ equivalent	€
Quarter 4 2023 – Sterling shares	£0.041250	4,928,481	5,822,395
Quarter 4 2023 – Euro shares	€ 0.022500		2,156,320
Quarter 1 2024 – Sterling shares	£ 0.020625	2,422,046	2,861,350
Quarter 1 2024 – Euro shares	€ 0.018125		1,696,227
Quarter 2 2024 – Sterling shares	£ 0.020625	2,505,688	2,960,162
Quarter 2 2024 – Euro shares	€ 0.018125		1,662,204
Quarter 3 2024 – Sterling shares	£ 0.020625	2,501,279	2,954,954
Quarter 3 2024 – Euro shares	€ 0.018125		1,529,226
Total for the year ending 31 December 2024			**21,642,838**

Notes to the Financial Statements (continued)

12. Dividends (continued)

Period	Amount per share	£ equivalent	€
Quarter 4 2022 – Sterling shares	£0.025000	3,237,965	3,723,213
Quarter 4 2022 – Euro shares	€0.017500		1,838,836
Quarter 1 2023 – Sterling shares	£0.018750	2,378,198	2,734,599
Quarter 1 2023 – Euro shares	€0.017500		1,832,221
Quarter 2 2023 – Sterling shares	£0.018750	2,386,151	2,743,745
Quarter 2 2023 – Euro shares	€0.017500		1,822,724
Quarter 3 2023 – Sterling shares	£0.018750	2,229,678	2,563,822
Quarter 3 2023 – Euro shares	€0.017500		1,689,691
Total for the year ending 31 December 2023			**18,948,851**

Refer to note 17 for details on dividends paid subsequent to the reporting period.

13. Return per share

	31 December 2024 £ equivalent	31 December 2024 €	31 December 2023 £ equivalent	31 December 2023 €
Sterling shares				
Profit before finance costs and taxation	22,807,683	27,227,913	27,204,690	31,343,389
Weighted average number of ordinary shares	119,714,146	119,714,146	126,472,843	126,472,843
Return per share	0.1905	0.2274	0.2151	0.2478
Euro shares				
Profit before finance costs and taxation	-	14,963,094	-	19,347,096
Weighted average number of ordinary shares		92,161,323		103,301,329
Return per share	-	0.1624	-	0.1873

Historically return per share has been presented based on the increase/(decrease) in net assets attributable to shareholders from operations, the total of which was split between Sterling and Euro classes based on the weighted number of each share class. The Directors have determined that in order to provide more relevant information to the shareholders of each share class, return per share should be presented based on the profit before finance costs and taxation for each share class, divided by the weighted number of shares in each share class. The comparatives reflect this change.

Notes to the Financial Statements (continued)

13. Return per share (continued)

Return per share has been calculated on a weighted average basis.

Refer to note 17 for transactions involving the Company's Sterling or Euro shares between 1 January 2025 and date of approval of these financial statements.

14. NAV per ordinary share

	31 December 2024 £ equivalent	31 December 2024 €	31 December 2023 £ equivalent	31 December 2023 €
Sterling shares				
NAV	£145,587,581	€175,942,593	£132,399,128	€152,722,394
Number of shares in issue[44]	121,274,157	121,274,157	118,916,157	118,916,157
NAV per ordinary share	£1.2005	€1.4508	£1.1134	€1.2843
Euro shares				
NAV	-	€92,296,084	-	€97,226,934
Number of shares in issue[1]	-	84,371,105	-	96,553,753
NAV per ordinary share	-	€1.0939	-	€1.0070

15. Reconciliation of liabilities arising from financing activities

	31 December 2024 (€)	31 December 2023 (€)
Opening Balance	**249,949,328**	**236,839,070**
Cash flow movements		
Payments from redemption of ordinary shares	(13,838,304)	(21,593,903)
Dividends paid	(21,642,838)	(18,948,851)
Profit before finance costs and taxation items	21,973,611	18,801,400
Proceeds from subscriptions arising from issue of ordinary shares	4,243,076	-
Non-cash flow movements		
Proceeds from subscriptions arising from conversion of ordinary shares	2,702,400	533,224
Proceeds from redemptions arising from conversion of ordinary shares	(2,677,569)	(532,471)
Foreign currency exchange gain on ordinary shares	7,311,577	2,961,776
Profit before finance costs and taxation items	20,217,396	31,889,083
Closing Balance	**268,238,677**	**249,949,328**

[44] excludes shares held in treasury.

Notes to the Financial Statements (continued)

16. Related party disclosure

The Directors are entitled to remuneration for their services and all Directors hold Sterling shares in the Company.

Refer to note 5 for further detail.

Transactions between the Company, the Trust, the Corporate Services Manager and the Conversion Vehicle are disclosed in note 4 and 11.

Robert Kirkby acts as the enforcer of the Trust. The Trust enables the Company to convert treasury shares held by the Company from one currency denomination to another. The position is unremunerated. No transactions were completed by the Trust during the years ended 31 December 2024 and 2023.

17. Material events after the Statement of Financial Position date

Management has evaluated subsequent events for the Company through 26 March 2025, the date the financial statements were available to be issued and has concluded that the material events listed below do not require adjustment of the financial statements.

Share conversion

On 27 January 2025, the Company announced the conversion into Sterling shares of Euro shares based on the NAVs of the Company's Sterling and Euro Shares as at 31 December 2024. The Company received conversion notices from shareholders in respect of 25,367 Sterling shares and 2,701,796 Euro shares. Effective 31 January 2025, 2,035,487 Sterling shares and 33,670 Euro Shares were admitted to the Official List of the UK Listing Authority and the main market for listed securities of the London Stock Exchange plc.

Dividend declaration and dividend increase

On 27 January 2025, the Company declared a dividend of £0.033038 per Sterling Share and €0.020486 per Euro Share payable on 28 February 2025. These amounts reflect an uplift to the previously indicated quarterly dividend of £0.020625 per Sterling Share and €0.018125 per Euro Share announced by the Company on 30 January 2024.

The Company also set annual dividend targets at £0.0925 per ordinary Sterling Share and €0.0725 per ordinary Euro Share from the first 2025 quarterly interim dividend.

Issue of Equity

From 1 January 2025 to 26 March 2025, 11,850,000 Sterling treasury shares at a simple average price of £1.2043 and 100,000 Euro treasury shares at a price of €1.0907 were sold.

Director share purchases

The following shares were purchased by the Directors:

Director	Date	Number of Sterling shares	Price per share
Stephanie Carbonneil	5 February 2025	20,243	£1.2295
Esther Gilbert	11 February 2025	6,935	£1.2094

Results of placings in respect of March 2025 Tender

On 14 February 2025, the Company announced that it received tender applications for the semi-annual tender process in respect of the March 2024 Tender. 17,369 Sterling shares and 14,064 Euro shares were tendered for repurchase by the Company. 12 Sterling shares and 430 Euro shares were tendered for placing with third party investors. On 6 March 2025, the Company announced the shares tendered for placing were successfully placed.

18. Controlling party

In the Directors' opinion, the Company has no ultimate controlling party.

Useful Information for Shareholders (unaudited)

Useful Information for Shareholders (unaudited)

Investment Vehicle portfolio

The following information regarding the Investment Vehicle has been included for informational purposes only.

Listed corporate bonds

The fair values of listed corporate bonds at the reporting date are based on quoted market prices or binding dealer price quotations (bid price for long positions and ask price for short positions), without any deduction for transaction costs. The listed corporate bonds are most often included within Level 1 of the hierarchy.

Unlisted equities, warrants and debt securities

For all other financial instruments, fair value is determined using valuation techniques.

The Compartment invests in some unlisted equities, warrants, corporate bonds and other debt securities. When these instruments are not measured at the quoted price in an active market they are valued using observable inputs, initially sourcing broker quotes from a number of sources and, where this data does not yield a reliable market price, utilising appropriate valuation techniques such as recently executed transaction prices in securities of the issuer or comparable issuers. Adjustments are made to the valuations when necessary to recognise differences in the instrument's terms. To the extent that these inputs are observable, the Compartment classifies the fair value of these investments as Level 2.

The Compartment invests in unlisted corporate debt and managed collateralised loan obligations ("CLOs"). These investments are generally not quoted in an active market and may be subject to restrictions on redemptions such as lock up periods. Transactions in these assets do not occur on a regular basis. Investments in these debt securities are valued based on a combination of a third party pricing service, an appraisal of the performance of the issuing company and utilising appropriate valuation techniques such as counterparty marks and recently executed transaction prices in securities of the issuer or comparable issuers. The Compartment has classified the fair value of these investments as Level 3 for this financial year.

Forward currency contracts

Foreign currency forward contracts are recognised as contractual commitments on a trade date basis and are carried at fair value based on quotes which may be obtained from an independent source (e.g. Bloomberg). Foreign currency forward contracts are commitments to either purchase or sell a designated currency at a future date for a specified price and are settled in cash. Foreign currency forward contracts are valued by reference to the forward price at which a new contract of the same size and remaining maturity could be undertaken at the valuation date. For these financial instruments, significant inputs are market observable and are included within Level 2.

Valuation process for Level 3 investments

Valuations are the responsibility of the Board of the Company, who have engaged CCPISM, CPIM and the independent service provider to independently value the assets on a monthly basis, and perform a price challenge process. Following the completion of the price challenge process, CPIM presents the valuation of the assets to the Board on a quarterly basis, including a discussion on the assumptions used and significant fair value changes during the year.

Investments in CLOs are primarily valued based on the bid price as provided by the third party pricing service, and may be amended following consideration of the NAV published by the administrator of the CLOs. Furthermore, such a NAV is adjusted when necessary, to reflect the effect of the time passed since the calculation date, liquidity risk, limitations on redemptions and other factors. Depending on the fair value level of a CLOs assets and liabilities and on the adjustments needed to the NAV published by that CLO, the Compartment classifies the fair value of these investments as Level 3.

Investments in debt securities for which there are a limited number of broker quotes and for which no other evidence of liquidity exists and investments in unlisted equity and private equity companies that are not quoted in an active market are classified as Level 3. Debt securities with a limited number of broker quotes are valued by considering in detail the limited broker quotes available for evidence of outliers (which may skew the average) which, if existent, are removed, and then by calculating the average of the remaining quotes. For debt securities and unlisted equity or private equity companies for which there are no broker quotes, CPIM produces a pricing memorandum for the Compartment drawing on the International Private Equity Valuation guidelines, which is discussed, reviewed and accepted by the Board and the independent service provider.

If CPIM and the independent service provider have difficulty in establishing an agreed upon valuation for an asset, they will discuss and agree alternative valuation methods.

The below disclosures have been included to provide an insight to shareholders of the asset class mix held by the Investment Vehicle portfolio. It is important to note that as at 31 December 2024, the Company held a 42.25% (2023: 50.55%) interest in the net assets of the Investment Vehicle. The disclosures have not been apportioned according to the Company's PEC holding, as the Board believes to do so would be misleading and not an accurate representation of the Company's investment in the Investment Vehicle.

The following tables detail the investment holding of the Company at the Investment Vehicle level, categorising these assets according to the fair value hierarchy in accordance with IFRS 13 and detailing the quantitative information of significant unobservable inputs of the Level 3 investments held.

Financial instruments recognised at fair value

31 December 2024 Financial assets	Level 1 €'000	Level 2 €'000	Level 3 €'000	Total €'000
Equity securities				
Equities and warrants	-	-	4,593	**4,593**
Debt securities				
Corporate bonds and other debt securities[45]	150,458	418,848	177,022	**746,328**
CLOs	-	-	47,523	**47,523**
Derivative financial instruments				
Forward currency contracts	-	-	-	**-**
Total financial assets at fair value through profit or loss	**150,458**	**418,848**	**229,138**	**798,444**

31 December 2024 Financial liabilities	Level 1 €'000	Level 2 €'000	Level 3 €'000	Total €'000
Derivative financial instruments				
Forward currency contracts	-	4,364	-	**4,364**
Total financial liabilities at fair value through profit or loss	-	4,364	-	**4,364**

31 December 2023 Financial assets	Level 1 €'000	Level 2 €'000	Level 3 €'000	Total €'000
Equity securities				
Equities and warrants	-	-	15,534	**15,534**
Debt securities				
Corporate bonds and other debt securities [45]	136,089	303,227	140,548	**579,864**
CLOs	-	-	46,882	**46,882**
Derivative financial instruments				
Forward currency contracts	-	2,487	-	**2,487**
Total	**136,089**	**305,714**	**202,964**	**644,767**

[45] EUR 10.4 million of the debt securities grouped within the "corporate bonds and other debt securities" Level 1 category above are pledged as collateral for securities sold under agreements to repurchase (31 December 2023: EUR 12.3 million).

Useful Information for Shareholders (unaudited) (continued)

Transfers between Level 2 and Level 3

Since 2020, there has been an increase in macro-economic volatility, driven by a global pandemic, conflict in Ukraine and Israel, high inflation and rising base rates. However, despite the volatility, liquidity in the secondary market continued to be adequate and the Investment Manager has been able to continue to trade uninterrupted.

The Investment Manager believes that the impact of climate change, interest rate changes and other geo-political risks is accurately reflected in the valuations. There have been no new or additional risks arising that would not already have been considered and monitored by the Investment Manager.

In 2024, there were investments reclassified from Level 2 to Level 3 having a market value of EUR 10.2 million (2023: EUR 27.3 million). In 2024, there were investments reclassified from Level 3 to Level 2 having a market value of EUR 11.3 million (2023: EUR 35.4 million).

Level 3 reconciliation

The following table shows a reconciliation of all movements in the fair value of financial instruments categorised within Level 3 between the beginning and the end of the reporting year.

	Equities and Warrants €'000	Corporate bonds and other debt securities €'000	CLOs €'000	Total €'000
Balance as at 1 January 2023	**18,641**	**144,364**	**51,617**	**214,622**
Total gains/(losses) in statement of comprehensive income during the year	(3,640)	(1,532)	8,824	**3,652**
Purchases/subscriptions	533	58,413	9,317	**68,263**
Sales/redemptions	-	(52,627)	(22,876)	**(75,503)**
Transfers into and out of Level 3	-	(8,070)	-	**(8,070)**
Balance as at 31 December 2023	**15,534**	**140,548**	**46,882**	**202,964**
Total gains/(losses) in statement of comprehensive income during the year	2,176	20,074	1,159	23,409
Purchases/subscriptions	-	59,186	27,552	86,738
Sales/redemptions	(13,117)	(41,685)	(28,070)	(82,872)
Transfers into and out of Level 3	-	(1,101)	-	(1,101)
Balance as at 31 December 2024	**4,593**	**177,022**	**47,523**	**229,138**
Total unrealised losses and gains at 31 December 2023 included in statement of comprehensive income for assets held at the end of the year	(3,640)	(2,629)	9,520	3,251
Total unrealised losses and gains at 31 December 2024 included in statement of comprehensive income for assets held at the end of the year	1,412	20,394	1,246	23,052

Useful Information for Shareholders (unaudited) (continued)

Quantitative information of significant unobservable inputs – Level 3

Description	31 December 2024 €'000	Valuation technique	Unobservable input	Range (weighted average)
Equities and warrants	4,532	Broker quotes / other methods	Discount to broker quotes / valuation method	N/A
Equities and warrants	61	Earnings-multiple	Market multiples	6.3x – 6.3x
Corporate bonds and other debt securities	20,607	Discounted Cash Flow	Yield	9.32% – 14.06%
Corporate bonds and other debt securities	156,415	Broker quotes / other methods	Cost of market transactions / management information	N/A
CLOs	47,523	Broker quotes / other methods	Specific valuations of the industry: expert valuation	N/A

Description	31 December 2023 €'000	Valuation technique	Unobservable input	Range (weighted average)
Equities and warrants	3,545	Broker quotes / other methods	Discount to broker quotes / valuation method	N/A
Equities and warrants	11,989	Asset sale value	Transaction price constituents	N/A
Equities and warrants	-	Earnings-multiple	Market multiples	6.3x-6.3x
Corporate bonds and other debt securities	8,480	Discounted Cash Flow	Yield	7.2% – 10.0%
Corporate bonds and other debt securities	132,067	Broker quotes / other methods	Cost of market transactions / Management information	N/A
CLOs	46,882	Broker quotes / other methods	Specific valuations of the industry: expert valuation	N/A

The Board and CPIM have valued the CLO positions at bid-price as at 31 December 2024 and 31 December 2023, as they believe this is the most appropriate value for these positions. The Board and CPIM believe that where certain credit facilities are classified as Level 3 due to limited number of broker quotes, there is still sufficient supporting evidence of liquidity to value these at an undiscounted bid price.

The above categorisation and descriptions of valuation technique and unobservable inputs, including ranges, may vary year-on-year due to changes or evolutions in valuation techniques as well as the addition or removal of positions due to trade activity or transfers to or from Level 3.

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

The significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at 31 December 2024 are as shown below:

Useful Information for Shareholders (unaudited) (continued)

31 December 2024

Description	Input	Sensitivity used	Effect on fair value €'000
Equities and warrants	Discount to broker quotes / valuation method	20%	1,461 / (1,462)
Equities and warrants	Market multiples	1x	48 / (48)
Corporate bonds and other debt securities	Yield	2.5%	(801) / 878
Corporate bonds and other debt securities	Cost of market transactions / management information	10%	15,642 / (15,642)
CLOs	Specific valuations of the industry: expert valuation	20%	9,505 / (9,505)

31 December 2023

Description	Input	Sensitivity used	Effect on fair value €'000
Equities and warrants	Discount to broker quotes / valuation method	20%	1,265 / (1,265)
Equities and warrants	Transaction price constituents	N/A	N/A
Equities and warrants	Market multiples	1x	60/(-)
Corporate bonds and other debt securities	Yield	2.5%	(466)/ 506
Corporate bonds and other debt securities	Cost of market transactions / management information	10%	13,207 / (13,207)
CLOs	Specific valuations of the industry: expert valuation	20%	9,376 / (9,376)

The above categorisations, unobservable inputs and use of sensitivities may vary year-on-year due to changes or evolutions in valuation techniques as well as the addition or removal of positions due to trade activity or transfers to or from Level 3.

Loans and borrowings

The below information details loans and borrowings for the Investment Vehicle.

	Effective interest rate (EIR, %)	Maturity	31 December 2024 €'000	31 December 2023 €'000
Loan – Bank (non-current) (principal: €175 million; EUR 155 million)	4.48%	28-Jul-28	175,000	154,964
Interest on loan – bank (current)			1,341	1,526
Total			176,341	156,490

The loan facility maturity is 28 July 2028 with a rate of interest of (a) Margin of 0.95%; and (b) 3-Month Euribor floor 0% payable on a quarterly basis. On 19 December 2024, the loan facility maturity was extended from 28 July 2025 to 28 July 2028 and the available commitment increased from EUR 175 million to EUR 200 million.

Useful Information for Shareholders (unaudited) (continued)

The facility includes a covenant that a maximum of 20% of the Compartment's Gross Assets (as defined in the PPM) is invested or shall be invested in structured finance securities at any time. As at year-end, the Compartment had an exposure to structured finance securities (CLOs) of 5.95% (2023: 7.27%).

The financing bank has collateral to the loans held by the Compartment, and to high yield bonds (to the extent that these are not subject to a repurchase agreement), as well as to the cash accounts (excluding custody accounts).

Foreign currency risk for the Investment Vehicle

The following table indicates the currencies to which the Investment Vehicle had significant exposure as at 31 December 2024 on its financial assets and liabilities. The analysis calculates the total effect of a reasonably possible movement of the currency rate against the EUR on the net assets attributable to PEC holders with all other variables held constant and includes the impact of the hedging programme undertaken by the Investment Vehicle.

Currency	Change in currency rate	Effect on net assets attributable to PEC holders and on the change in net assets attributable to PEC holders from operations	
		31 December 2024	31 December 2023
		€'000	€'000
GBP	10%	42	153
USD	10%	243	125

An equivalent decrease in each of the aforementioned currencies against the EUR would have resulted in an equivalent but opposite impact.

Select related party disclosures for the Investment Vehicle

As at 31 December 2024, the Investment Vehicle holds debt securities in entities where CVC Capital Partners also has an interest. These positions were entered into pari passu with third-party investors.

AIFMD report

The Company (which is a non- EU) AIF for the purposes of the AIFM Directive and related regimes in European Economic Area member states) is a self-managed fund and therefore acts as the deemed AIFM of the Company. The Company is authorised as an Alternative Investment Fund Services Business as defined under Article 2(11) of the Financial Services (Jersey) Law 1998 and, as such, fulfils the role of Alternative Investment Fund Manager.

The Company is registered with the Jersey Financial Services Commission, being the Company's competent regulatory authority, as a self-managed non-EU AIF, and has registered with the UK Financial Conduct Authority, under the relevant NPPR.

The Company is registered with the Finnish Financial Supervisory Authority, Belgium Financial Services and Markets Authority, Danish Finanstilsynet, Luxembourg Commission de Surveillance du Secteur Finacier, Swedish Finansinspektionen and the Central Bank of Ireland, under the relevant NPPR of each jurisdiction.

As the Company is non-EU domiciled, no depositary has been appointed in line with the AIFM Directive, however BNP Paribas S.A., Jersey Branch has been appointed to act as custodian.

Information relating to the current risk profile of the Company and the risk management systems employed by the Company to manage those risks, as required under paragraph 4(c) of Article 23 of the AIFM Directive, is set out in note 7 – financial risk management. Refer to pages 21 to 24 for the Board's assessment of the principal risks and uncertainties facing the Company.

AIFM remuneration

Article 22(2)(e) and 22(2)(f) of the AIFM Directive is not deemed applicable as the AIFM has no staff. No remuneration costs have been incurred except for fees paid to the Board by the Company as disclosed in the Directors' Remuneration Report and in note 4.

Index Disclaimer

The **S&P UBS Western European Leveraged Loan Index** (**formerly Credit Suisse Western European Leveraged Loan Index)** is an unmanaged market value-weighted index representing the investable universe of the U.S. dollar and Western European currencies-denominated leverage loan market. The index reflects reinvestment of all distributions and changes in market prices. The index inception is January 1998.

Useful Information for Shareholders (unaudited) (continued)

Alternative Performance Measures disclosures

In accordance with ESMA Guidelines on APMs, the Board has considered what APMs are included in the Annual Financial Report, including the financial statements, which require further clarification. An APM is defined as a financial measure of historical or future financial performance, financial position, or cash flows, other than a financial measure defined or specified in the applicable financial reporting framework. APMs included in the financial statements, which are unaudited and outside the scope of IFRS, are deemed to be as follows:

I. Share price total return

The share price total return is expressed as a percentage of the change in the Sterling and Euro share price during the year, including the annual dividend paid during the year.

	31 December 2024		31 December 2023	
	Sterling shares	Euro shares	Sterling shares	Euro shares
Opening share price (A)	£1.0050	€ 0.9300	£0.9200	€0.8200
Closing share price (B)	£ 1.1950	€ 1.0500	£1.0050	€0.9300
Annual dividend per share (C)	£ 0.1031	€ 0.0769	£0.0813	€0.0700
Share price total return (D=((B-A+C)/A))	29.17%	21.17%	**18.08%**	**21.95%**

II. Dividend yield

The dividend yield ratio is calculated as the actual dividend per Sterling and Euro share expressed as a percentage of the Sterling and Euro share price (bid price).

	31 December 2024	31 December 2023
Sterling shares		
Annual dividend per Sterling share (A)	£ 0.10313	£0.08125
Share price (bid price) (B)	£ 1.19500	£1.00500
Dividend yield (A/B) [46]	**8.63%**	**8.08%**

	31 December 2024	31 December 2023
Euro shares		
Annual dividend per Euro share (A)	€ 0.07688	€0.07000
Share price (bid price) (B)	€ 1.05000	€0.93000
Dividend yield (A/B) [46]	**7.32%**	**7.53%**

[46] Annual dividend yield per Sterling share and Euro share as at 31 December 2024 and 31 December 2023 is based on the four quarterly dividends announced and paid by the Company during the 12 months prior to the year end as applicable.

Useful Information for Shareholders (unaudited) (continued)

III. NAV Total Return

The Company's Sterling share and Euro share NAV capital return is calculated by dividing the difference between the closing NAV per share and the opening NAV per share, divided by the opening NAV per share. The income return is calculated by adding each dividend paid back to the NAV per share on the ex-dividend date (being the date dividends are deducted from the NAV of the Company). This amplifies the value of each dividend paid by the capital return and demonstrates the effect of reinvesting dividends back into the Company at the ex-dividend date. The total return is then determined by adding the capital and income return. The total return calculations are presented below:

	Annual dividend per share	31 December 2024	Annual dividend per share	31 December 2023
Sterling share				
Opening NAV per share		£1.1134		£0.9796
Closing NAV per share		£1.2005		£1.1134
Capital return		7.82%		13.66%
Income return	£0.10313	10.15%	*£0.08125*	*9.13%*
Total return		**17.97%**		**22.79%**

	Annual dividend per share	31 December 2024	Annual dividend per share	31 December 2023
Euro share				
Opening NAV per share		€1.0070		€0.8902
Closing NAV per share		€1.0939		€1.0070
Capital return		8.64%		*13.12%*
Income return	€0.07688	8.25%	*€0.07000*	*8.57%*
Total return		**16.88%**		**21.69%**

Useful Information for Shareholders (unaudited) (continued)

IV. NAV total return vs monitored indices

The NAV total return measures how the NAV per Sterling share and Euro share has performed over a period of time, taking into account both capital returns and dividends paid to shareholders. The Company quotes NAV total return as a percentage change from a certain point in time, such as the initial issuance of Sterling and Euro shares or the beginning of the period, to the latest reporting date, being 31 December 2024 in this instance. It assumes that dividends paid to shareholders are reinvested back into the Company therefore future NAV gains are not diminished by the paying of dividends.

The Board monitors the Company's NAV total return against the S&P UBS Western European High Yield Index (formerly Credit Suisse Western European High Yield Index) (hedged in Euros) total return and S&P UBS Western European Leveraged Loan Index (formerly Credit Suisse Western European Leveraged Loan Index) (hedged in Euros) total return. The total return results for both the Company's NAV and the monitored indices over certain time periods are presented below:

	3 Months	6 Months	12 Months	Since inception
Sterling NAV Total Return	4.31%	7.89%	17.97%	120.01%
Euro NAV Total Return	4.04%	7.36%	16.88%	99.49%
S&P UBS Western European High Yield Index (hedged in Euros) Total Return	1.14%	5.18%	7.92%	57.48%
S&P UBS Western European Leveraged Loan Index (hedged in Euros) Total Return	1.43%	4.22%	8.53%	60.26%

V. Discount

The NAV per share is the value of the Company's assets, less any liabilities it has, divided by the total number of Sterling and Euro shares. However, because the Company's ordinary shares are traded on the London Stock Exchange's Main Market, the share price may be higher or lower than the NAV. The difference is known as a premium or discount. The Company's premium or discount to NAV is calculated by expressing the difference between the period end respective share class price (bid price) and the period end respective share class NAV per share as a percentage of the respective NAV per share.

	Sterling shares		Euro shares	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
NAV per share (A)	£1.2005	£1.1134	€1.0939	€1.0070
Closing share price per Bloomberg (B)	£1.1950	£1.0050	€1.0500	€0.9300
Discount to NAV per share ((B-A)/A)	0.46%	9.73%	4.02%	7.64%

Useful Information for Shareholders (unaudited) (continued)

Ongoing charges [47]

The Company has chosen the AIC's methodology for calculating an ongoing charges figure. The ongoing charges are based on actual costs incurred in the year excluding any non-recurring fees in accordance with the AIC methodology. Expense items have been excluded in the calculation of the ongoing charges figure when they are not deemed to meet the following AIC definition:

"Ongoing charges are those expenses of a type which are likely to recur in the foreseeable future, whether charged to capital or revenue, and which relate to the operation of the investment company as a collective fund, excluding the costs of acquisition/disposal of investments, financing charges and gains/losses arising on investments. Ongoing charges are based on costs incurred in the year as being the best estimate of future costs."

Ongoing charges excluding Investment Vehicle operating expenses and management fee

The ongoing charges ratio was based on annualised ongoing charges divided by the average NAV for the Sterling shares and Euro shares.

	31 December 2024		31 December 2023	
	Sterling shares	Euro shares	Sterling shares	Euro shares
Annualised ongoing charges	**€899,850**	**€532,052**	€784,070	€505,117
Average NAV	**€165,692,754**	**€96,583,011**	€154,712,691	€98,723,623
Ongoing charges ratio	**0.54%**	**0.55%**	0.51%	0.51%

Ongoing charges including Investment Vehicle operating expenses and management fee

In the following calculation, the Company has incorporated, in addition to a relevant portion of the Investment Vehicle management fee [48], a relevant proportion Investment Vehicle operating expenses into its own ongoing charges figure. This ratio includes the Company's pro-rata share of the Investment Vehicle management fee, custodian and administration expenses and other general expenses but excludes interest costs and performance fees.

The ongoing charges ratio was based on annualised ongoing charges divided by the average NAV in the year for the Sterling shares and Euro shares.

	31 December 2024		31 December 2023	
	Sterling shares	Euro shares	Sterling shares	Euro shares
Annualised ongoing charges	**€2,963,154**	**€1,758,567**	€2,623,838	€1,724,261
Average NAV	**€165,692,754**	**€96,583,011**	€154,712,691	€98,723,623
Ongoing charges ratio	**1.79%**	**1.82%**	1.70%	1.75%

See below the ongoing charges reconciliation:

	31 December 2024 (€)	**31 December 2023 (€)**
Total operating expenses for the year	1,676,793	1,436,945
Expenses excluded from the calculation of ongoing charges figures, in accordance with AIC's methodology:		
Professional and legal fees	(244,891)	(147,758)
Total ongoing charges for the year (excluding Investment Vehicle operating expenses and management fee)	**1,431,902**	**1,289,187**
Add: Investment Vehicle operating expenses	969,492	820,686
Add: Investment Vehicle management fee [48]	2,320,327	2,238,226
Total ongoing charges for the year (including Investment Vehicle operating expenses and management fee)	**4,721,721**	**4,348,099**

[47] The Company's ongoing charges are considered to be APMs and differ to the ongoing costs disclosed within the Company's KIDs which follows the methodology prescribed by EU rules. For example, the ongoing costs disclosed in the Company's KIDs include interest expense and are based on average ongoing charges over the past three years whereas the ongoing charges ratio disclosed in this report do not include interest expense and are based on ongoing charges incurred during the year ended 2023 only. The Company's most current KIDs and an accompanying explanatory note reconciling the two different ratios are available on the Company's website (https://ig.cvc.com/key-information-documents/).

[48] The Investment Vehicle management fee is 0.90%, which reduces by a further 5 basis points each time the Investment Vehicle's NAV exceeds €500m, €750m and €1bn respectively, to a minimum of 0.75% per annum.

Glossary

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Glossary

Administrator	**BNP Paribas S.A., Jersey Branch**
AGM	Annual General Meeting
AIC	Association of Investment Companies
AIC Code	AIC Code of Corporate Governance, February 2021
AIF	Alternative Investment Fund
AIFM	Alternative Investment Fund Manager
APMs	Alternative Performance Measures
Auditor	Ernst & Young LLP
BoE	Bank of England
Borrowing Limit	Up to an amount equal to 100% of the NAV of the Investment Vehicle at the time of borrowing
CLOs	Collateralised Loan Obligations
Company	CVC Income & Growth Limited
Continuation Resolution	An ordinary resolution proposed by the Directors that the Company continue its business as a closed-ended investment company
Conversion Vehicle	Conversion SPV Limited
CPIM	CVC Credit Partners Investment Services Management Limited

Credit Opportunities	Refers to investments where CVC Credit Partners anticipates an event in a specific credit is likely to have a positive impact on the value of its investment. This may include events such as a repayment event before maturity, a deleveraging event, a change to the economics of the instrument such as increased margin and/or fees or fundamental or sentiment driven change in the value. CVC Credit Partners seeks relative value opportunities which involve situations where market technicals have diverged from credit fundamentals often driven by selling by mandate constrained investors, CLO managers or hedge funds rebalancing their portfolios, macro views affecting different credit instrument types or sales by banks. CVC Credit Partners has additional flexibility compared to mandate-constrained capital and believes these assets have potential for capital gains and early cash flow generation based on the acquisition prices
CVC Group	CVC Group being CVC Credit Partners and CVC Credit Partners Group Holding Foundation, together with its direct and indirect subsidiaries and their respective affiliates and excluding any funds managed and/or advised by the CVC Group
EBITDA	Earnings before interest, taxes, depreciation, and amortisation
ECB	European Central Bank
EEA	European Economic Area
ELFA	European Leveraged Finance Association
Enterprise Multiple	Enterprise value divided by EBITDA
ESG	Environmental, Social and Governance

Glossary (continued)

EU	European Union
EUR	Euro
Fed	The Federal Reserve
FRC	Financial Reporting Council
FY	Financial Year
GBP	Pound Sterling
IFRS	International Financial Reporting Standards
IFRS 13	IFRS 13 – Fair Value Measurement
Investment Vehicle	Compartment A of CVC European Credit Opportunities S.à r.l.
Investment Vehicle Manager (CVC Credit Partners)	CVC Credit Partners Investment Management Limited
Investment Vehicle Services Manager	CVC Credit Partners Investment Services Management Limited
JNP	Jersey National Park
KID	Key Information Document
KPIs	Key Performance Indicators
Loan to Value	Total leverage divided by Enterprise Multiple
LTM	Last twelve months

M&A	Mergers and Acquisitions
NAV	Net Asset Value
NPPRs	National Private Placement Regimes
PECs	Preferred Equity Certificates
Performing Credit	Generally refers to senior secured loans and senior secured high yield bonds sourced in both the primary and secondary markets. The investment decision is primarily driven by a portfolio decision around liquidity, cash yield and volatility
SID	Senior Independent Director
TCFD	Task Force on Climate-Related Financial Disclosures
Total Leverage	Total debt divided by EBITDA
Trust	CVC Credit Partners European Opportunities Limited Purpose Trust
UK Code	The UK Corporate Governance Code 2018
US	The United States of America
Viability Statement	A statement made by the Directors explaining how they assessed the prospects of the Company, over which period they have done so and why they consider that period to be appropriate

Company Information

Company Information

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ELFA

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[49] BNP Paribas S.A., Jersey Branch is regulated by the Jersey Financial Services Commission

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Registrar
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Administrator and Company Secretary
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St Helier, Jersey
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Distribution and Investor Relations Adviser to the Company
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London
EC2Y 9DT

For Investors in Switzerland:

The Prospectus, the Memorandum and Articles of Association as well as the Annual and Half Yearly Financial Reports of the Company may be obtained free of charge from the Swiss Representative. In respect of the shares offered in Switzerland to qualified investors, the place of performance is at the registered office of the Swiss Representative. The place of jurisdiction is at the registered office of the Swiss Representative or at the registered office or place of residence of the investor.

Swiss Representative: First Independent Fund Services Ltd., Feldeggstrasse 12, CH-8008 Zurich, Switzerland.

Swiss Paying Agent: Helvetische Bank AG, Seefeldstrasse 215, CH-8008 Zurich, Switzerland.

CVC INCOME & GROWTH

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