CVC INCOME & GROWTH LIMITED

HALF YEARLY FINANCIAL REPORT 30 June 2023

WHY INVEST IN CVC INCOME & GROWTH LIMITED?

Generating income and growing your capital

CVC Income & Growth Limited (the "Company") aims to provide shareholders with income and capital upside from a diversified portfolio of predominantly sub-investment grade European corporate debt instruments. The Company's investment policy is to invest predominantly in debt instruments issued by companies domiciled in, or with material operations in Western Europe across various industries. The Company has given effect to its investment policy by subscribing for Preferred Equity Certificates, (the "PECs"), Series 4 and 5 of Compartment A of CVC European Credit Opportunities S.à r.l. (the "Investment Vehicle ").

CVC Credit Partners Investment Management Limited (the "Investment Vehicle Manager") has a strong track record in investing in these asset classes, which provides the Company's investors with stability and an opportunity to benefit from rising interest rates through the largely floating rate nature of the underlying investments. The key features of the Company are its ability to provide attractive, risk-adjusted returns which includes a reliable income stream, with the opportunity for enhancement of capital. The Company also offers investors additional liquidity opportunities through its tender mechanism.

What we offer

Reliable income The Company seeks to generate regular cash income via a stable and attractive dividend, as well as offering the potential for capital appreciation. The Company currently distributes quarterly dividends to shareholders based on a target of 7c and 7.5p per Euro share and Sterling share respectively per annum.	**Strong track record** The Company has a proven, long-term track record and, since the Company's listing in 2013, has achieved a net average total return per annum of 4.28%[1] and 5.04%[1] per Euro share and Sterling share respectively.
Liquidity In addition to the daily liquidity offered by the stock market, the Company offers shareholders alternative liquidity via a share tender mechanism. Refer to the Company's latest tender circular, available on the Company's website (https://ig.cvc.com), for the detailed terms and conditions of the tender mechanism.	**Interest rate protection** The Company, via Compartment A of the Investment Vehicle invests mainly in loans, which are typically floating rate instruments, which offer investors an opportunity to benefit from a rising interest rate environment.
Capital preservation The Company's focus is on downside protection and capital preservation. The Investment Vehicle invests primarily in senior secured loans at the top of the capital structure, increasing the chance of strong recoveries in the event of a rise in defaults. The portfolio typically comprises around 90 to 100 positions in large companies diversified by geography and sector predominantly in Western Europe as well as the US.	**Stability** Offering more security and less volatility than equity markets, the Company offers investors a way of accessing the wholesale corporate credit markets, typically an asset class dominated by institutional investors. Since its establishment in 1998, the Credit Suisse Leveraged Loan Index, which represents the closest index analogy to the underlying portfolio, has only had one down year, demonstrating the stability of the asset class.
Risk-adjusted returns The Company targets attractive risk-adjusted returns for its shareholders and has a medium-term (3-5 years) average annualised target total return of 8% per annum. The Company seeks to allocate and reallocate capital to a mix of performing senior secured loans and to issuers where the Investment Vehicle Manager perceives there to be a market-driven mispricing opportunity based on fundamental credit assessment and technical market factors. The Investment Vehicle Manager seeks relative value opportunities, meaning it is able to simultaneously target a reliable income stream while maintaining the potential to generate capital upside for shareholders.	**Part of the CVC Credit platform** The Investment Vehicle is managed by CVC Credit Partners Investment Management Limited, a leading global investment management firm with over $41.2 billion in AUM across performing credit and private credit strategies[2], allowing shareholders the opportunity to gain exposure to institutional-quality credit investments. CVC Credit Partners Investment Management Limited is part of the CVC platform, a world leader in private equity and credit investment with $152.6 billion of AUM, $195.5 billion of funds committed and a global network of 25 local offices.[3] On 17 February 2023, the Company announced that it was notified by the Investment Vehicle that the Investment Vehicle Manager had waived its future right to receive an Investment Vehicle performance fee, such waiver took effect from 1st January 2023.

WHY INVEST IN CVC INCOME & GROWTH LIMITED? (CONTINUED)

What we offer (continued)

Environmental, Social and Governance ("ESG") Considerations
The Company has recognised the growing importance of responsible investment and integrating ESG considerations into the investment process.

In 2022, the Company established an ESG Committee to oversee the ESG strategy adopted by the Investment Vehicle Manager to enable the integration of ESG factors into the investment process and to oversee the Company's ESG disclosures.

The ESG Committee closely follows regulatory and legislative developments in the area of Sustainability and ESG to ensure that the Company is continually working towards improvements in disclosure of relevant ESG metrics and targets for the benefit of investors.

The Investment Vehicle utilises leverage in executing its investment strategy. As at 30 June 2023, the Investment Vehicle's borrowings (including short term repo financing) as a percentage of its NAV stood at 33.62% (31 December 2022: 36.64%).

[1] From inception to 31 March 2023, being the latest available information.
[2] All amounts as at 31 March 2023, being the latest available information. Commitment figure used for pooled-closed end funds and separately managed accounts in ramping phase. Includes warehouse and drawn leverage facility figures for certain investment vehicles managed by CVC Credit entities. Underlying figures not in U.S. Dollars are converted using a spot rate as at 31 March 2023. Includes managed funds, securitization vehicles, listed vehicles, separately managed accounts and CLOs managed by CVC Credit Partners Investment Management Limited, CVC Credit Partners LLC, CVC Credit Partners European Investment Fund Management Limited, CVC Credit Partners European CLO Management LLP and CVC Credit Partners U.S. CLO Management LLC, on a discretionary and non-discretionary basis.
[3] All amounts as at 31 March 2023, being the latest available information for both CVC Capital and CVC Credit entities.

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FINANCIAL HIGHLIGHTS AND PERFORMANCE SUMMARY

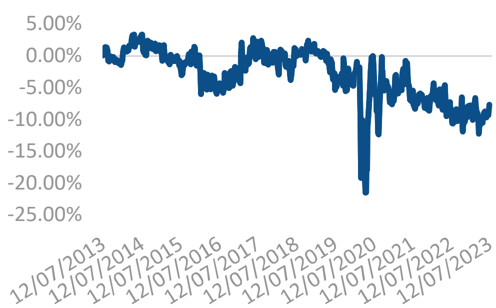
For the period under review, the NAV total return of 11.21% (Euro) and 11.53% (Sterling) were above the Company's medium-term average annualised total return target of +8%.

Euro Share Class	Sterling Share Class
NAV total return[1] **30 June 2023: 11.21%** (31 December 2022: -8.31%)	**NAV total return**[1] **30 June 2023: 11.53%** (31 December 2022: -6.75%)
Dividend Yield[2] **30 June 2023: 7.23%** (31 December 2022: 6.40%)	**Dividend Yield**[2] **30 June 2023: 7.50%** (31 December 2022: 5.71%)
Dividend Coverage ratio[3] **30 June 2023: 1.39** (31 December 2022:1.41)	**Dividend Coverage ratio**[3] **30 June 2023: 1.44** (31 December 2022:1.47)
Share price[5,6] **30 June 2023: €0.8650** (31 December 2022: €0.8200)	**Share price**[5,6] **30 June 2023: £0.9500** (31 December 2022: £0.9200)
NAV per share **30 June 2023: €0.9537** (31 December 2022: €0.8902)	**NAV per share** **30 June 2023: £1.0470** (31 December 2022: £0.9796)
Share price to NAV discount[4] **30 June 2023: 9.30%** (31 December 2022: 7.88%)	**Share price to NAV discount**[4] **30 June 2023: 9.27%** (31 December 2022: 6.08%)

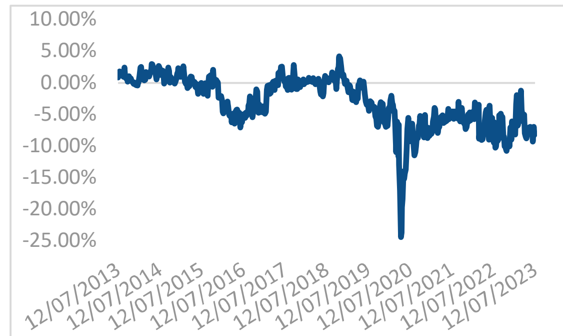
FINANCIAL HIGHLIGHTS AND PERFORMANCE SUMMARY (CONTINUED)

Euro Share Class	Sterling Share Class

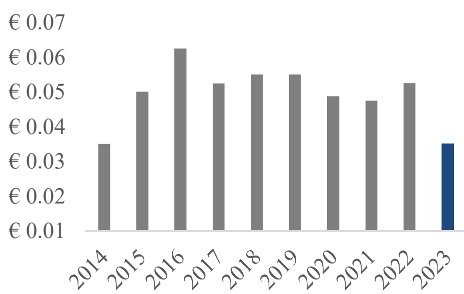
Premium / Discount[5]



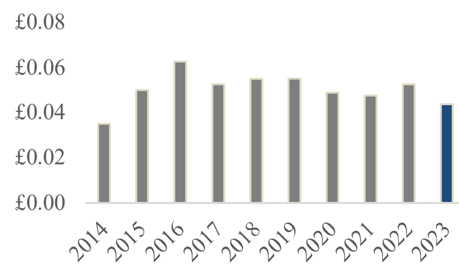
Premium / Discount[5]



Dividend per share



Dividend per share



The 2023 dividend per share is for the 6-month period ended 30 June 2023.

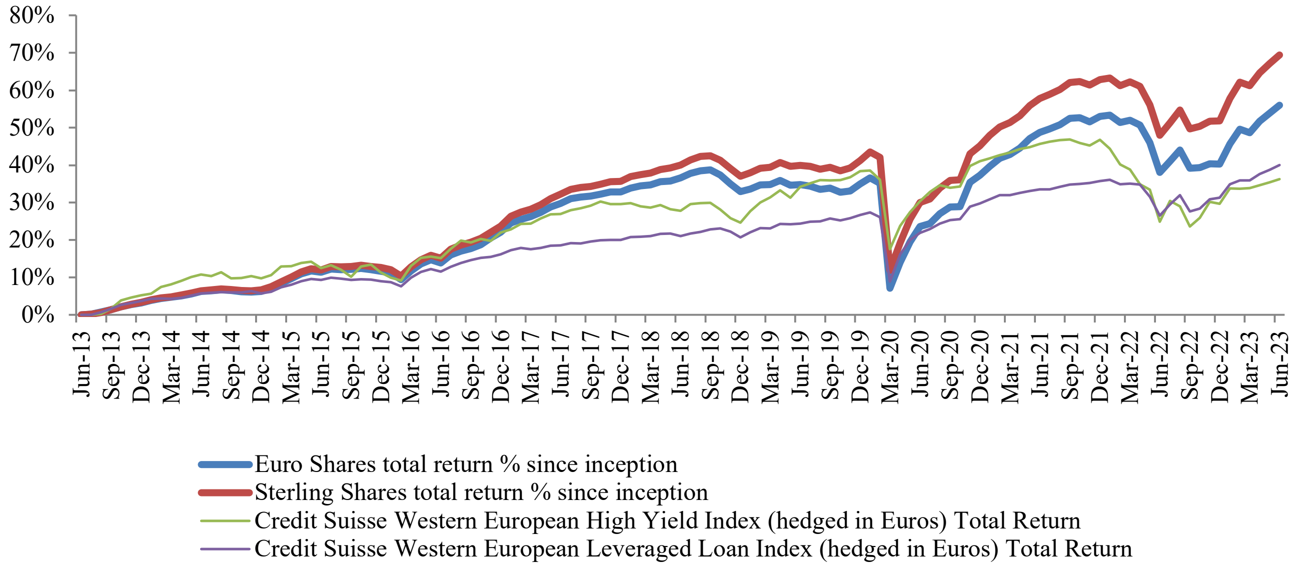
The average discount since inception in 2013 to 30 June 2023 for the Euro share and Sterling share is 3.05% and 3.05% respectively.

The average annual dividend per share since inception in 2013 to 30 June 2023 for the Euro share and Sterling share is 4.94c and 5.03p respectively.

[1] NAV total return measures how the NAV per Euro share and Sterling share has performed over a period of time, taking into account both capital returns and dividends paid to shareholders. Refer to pages 50 and 51 for further details on how NAV total return is calculated.
[2] Dividend yield expresses the return dividends represent as a percentage of the Company's share price. Refer to page 52 for further details on how dividend yield is calculated.
[3] Dividend cover ratio is calculated as the coupon income received by the Investment Vehicle for the Series 4 and 5 of Compartment A divided by the dividend per Euro and Sterling Share respectively expressed as a ratio. The coupon income per share is calculated as the income received by the Investment Vehicle for the Series 4 and 5 of Compartment A respectively, from which the PEC income and ultimately the dividend was paid, divided by the weighted average number of Euro and Sterling shares respectively, during the period in which such coupon income was earned. The 31 December 2022 figures have hence been restated to match the coupon income period to the dividend period, as the calculation was previously based on the actual income earned during the year.
[4] The Company's share price to NAV discount or premium is calculated by expressing the difference between the share price (bid price) and its NAV per share as a percentage of its NAV per share. This is a KPI, refer to page 51 for further details on how the discount or premium is calculated.
[5] Bid price
[6] Source: Bloomberg

FINANCIAL HIGHLIGHTS AND PERFORMANCE SUMMARY (CONTINUED)

NAVs vs Monitored Indices



For further information on the Company's dividend history and total return metrics, refer to the supplementary financial information section on pages 50 to 52.

Disclaimer

The Monitored Indices are provided for illustrative purposes only. They have not been selected to represent benchmarks for the Company. The Monitored Indices may include holdings that are substantially different than investments held by the Company and do not reflect the strategy of the Company. Comparisons to the Monitored Indices have limitations because the Monitored Indices have risk profiles, volatility, asset composition, leverage and other material characteristics that may be different from the Company.

HALF YEARLY BOARD REPORT
CHAIRMAN'S STATEMENT

Introduction
I am pleased to have the opportunity to report to you on the Company's performance in respect of the half-year ended 30 June 2023.

Performance
Looking back at my observations in my statement accompanying the Company's annual financial report published in March of this year, I noted reasons to be cheerful, alongside a number of themes which would serve to materially influence the direction of the Company's performance through the year. In particular, I expressed the Board's anxiety around US and Swiss banking sector weakness, potentially tighter credit conditions, central banker tensions, potential increases in default rates and the risks of a "hard landing" for developed markets. All of this was expressed as a risk to the performance of a portfolio which, at 28 February 2023, was delivering a yield to maturity of 17.3% (€ hedged) / 19.0% (GBP hedged) and a running cash yield of 11.5% (EUR hedged) / 13.1% (GBP hedged). Perhaps the right way to express what has occurred since that date is "so far so good". Interest rates appear to be plateauing in developed markets. Central bankers, having been denigrated by all and sundry for being slow to raise rates in the face of sharply rising inflation, might reasonably feel vindicated by the strength of economic performance to date, particularly in the US, and economic commentary seems to be leaning more to soft landing rhetoric as each day goes by. Even the UK has performed better than economic statistics initially suggested through the latter part of 2022. This apparently benign environment has enabled the company to post a NAV total return for the period of +11.21% for the Euro share class and +11.53% for the GBP share class. Through 31 August, these numbers are even better, at 15.48% and 16.02% respectively. This performance is of course helped by a risk-free rate which averaged 2.66% for Euro and 4.07% for Sterling for the period, but the majority of performance is a combination of excess yield and capital growth, achieved through judicious sectoral and issuer allocation by the Investment Vehicle Manager's portfolio management team.

Investment Vehicle Manager Remuneration
With effect from 1 January 2023, the Investment Vehicle Manager waived its future right to receive a performance fee from the Investment Vehicle.

Current Market Conditions and Outlook
The relatively benign conditions that I referred to above are a prerequisite for effective and efficient leveraged finance markets. CLO formation, the key technical driver of the leveraged loan market, was almost non-existent through the latter part of 2022 and early 2023. That has changed, as banks have cleared out much of the backed-up loan inventory which was preventing them from using their balance sheets to support M&A activity. CLO formation has accelerated, and with it new primary issuance, at credit spread levels which remain far more attractive than was the case before risk free rates started to accelerate in early 2022. The Company is able to take advantage of this by reinvesting into attractive new primary issuance as existing positions are exited or repaid. As a result, despite the strong performance though 30 June 2023, the portfolio at that date exhibited a yield to maturity of 17.4% (€ hedged) / 18.8% (£ hedged), and a running cash yield of 12.6% (€ hedged) / 14.1% (£ hedged).

The Investment Vehicle Manager report incorporated elsewhere in this document gives more detail on the outlook for markets for the remainder of 2023 and there is no need for me to repeat that narrative here. Naturally, the board remains on alert for signs of economic volatility and is keeping a close watch on the unwelcome simmering political tensions between China and western democracies.

Distribution Policy
On 7th March 2023, the Company announced an increase to its fixed distribution policy, raising annual dividend targets to 7.5p per Sterling share and 7.0c per Euro share. Accompanying that announcement, I also noted that "*the Board of Directors has also resolved, in the event that the Investment Vehicle portfolio produces surplus cash income beyond that currently forecasted, that an upwards only adjustment will, if appropriate, be made to the Company's fourth quarter 2023 dividends payable in the first quarter of 2024, in a manner similar to that recently announced in respect of the fourth quarter of 2022.*" The Company's performance in the first half of the year, taken together with the very high yield to maturity and cash yield numbers referred to above, particularly when compared to historic levels, substantially cover the Company's current distribution policy. The Company's dividends for the six-month period to 30th June 2023 are covered 1.44 /1.39 times (£ class / € class respectively) by Investment Vehicle coupon income, and if the "top up" dividend paid by the Company in the first quarter of 2023 were excluded, that rises to 1.67/1.45 times. This indicates, in the absence of a material change in market conditions, the prospect of a meaningful additional "top up" dividend being paid in respect of Q4, as was the case for 2022.

Conclusion

As always, I would like to take the opportunity to thank my co-directors, the portfolio management team at the Investment Vehicle Manager, our advisors and investment bankers for their support during the period.

Richard Boléat
Chairman
27 September 2023

INVESTMENT VEHICLE MANAGER'S REPORT

Summary

2022 was a poor year for most asset classes as the war in Ukraine, high inflation, an energy crisis in Europe and rising interest rates put pressure on risk sentiment in general. 2023 started off on a much better tone though. Energy prices in Europe came down quickly as the continent successfully replaced Russian gas with LNG imports, corporate earnings held up better than expected and inflation started showing signs of easing. Moreover, the re-opening of the Chinese economy, after a prolonged Covid shutdown, gave the global economy a much needed boost. The combination of all this, together with a slower hiking path for Central Banks, have resulted in risk-on sentiment across financial markets in H1 2023.

Even though the macro outlook has improved, there is still considerable uncertainty out there and the impact of recent rate hikes on the real economy will take time to materialise. We have already seen some high profile casualties such as Silicon Valley Bank, First Republic Bank and, closer to home, Credit Suisse. These events only had a short term impact on financial markets, as the risk-on rally continued, and these bank failings didn't have the same impact as Bear Stearns or Lehman Brothers did during the Global Financial Crisis ("GFC").

In European sub-investment grade markets, this positive macro-economic news flow was well received and both loans and high yield bonds continued the upwards trajectory that started in Q4 2022. The Credit Suisse Western European Leveraged Loan Index ("CS WELLI"), hedged to EUR, was up 6.68% while the Credit Suisse Western European High Yield Index ("CS WEHYI"), hedged to EUR, was up 5.03%. The strong return in H1 2023 was a result of income generation but also an upwards move in the mark to market of the loans. The average price on the loan index moved to 94.71 at the end of June from 91.56 at the end of December[a], while the average price on the high yield index moved to 88.15 at the end of June from 86.21 at the end of December[b]. However, these compare to 98.71[a] and 100.23[b] at the end of December 2021 for both asset classes respectively.

Even though default rates increased marginally in Europe, the overall level of defaults remains fairly low compared to, for example, the GFC or the Eurozone Crisis. Companies are proactively addressing their capital structures by refinancing short term debt maturities, and in some cases these refinancings are combined with new equity contributions by the financial sponsors who own these businesses. Overall, these refinancings have come at wider credit spreads. These wider spreads, in combination with rising base rates, have resulted in the running yield on the portfolio going from 11.5% (EUR)/13.2% (GBP) at the end of 2022 to 12.6% (EUR)/14.1% (GBP) despite the increase in the overall marks on the portfolio.

Portfolio

As at 30 June 2023, the Investment Vehicle portfolio was invested in accordance with the investment policy, was diversified with 96 issuers[1] (31 December 2022: 91) across 27 (31 December 2022: 26) different industries and 17 (31 December 2022: 14) different countries, and had exposure of no more than 6.0% (31 December 2022: 5.8%) to any single issuer.

Portfolio Statistics[2]

		As at 30 June 2023	**As at 31 December 2022**
Percentage of Portfolio in Floating Rate Assets		79.6%	85.6%
Percentage of Portfolio in Fixed Rate Assets		17.8%	11.3%
Percentage of Portfolio in Other		2.6%	3.1%
Weighted Average Price[3]		88.2	83.6
Yield to Maturity ("YTM")	EUR	17.4%	18.5%
	GBP	18.8%	20.2%
Current Yield	EUR	12.6%	11.5%
	GBP	14.1%	13.2%
Weighted Average Fixed Rate Coupon		6.7%	6.6%
Weighted Average Floating Rate plus Margin		8.6%	7.1%

HALF YEARLY BOARD REPORT (CONTINUED)
INVESTMENT VEHICLE MANAGER'S REPORT (CONTINUED)

Portfolio Statistics[2] (continued)

5 Largest Issuers as at 30 June 2023			
Issuer	**% of Gross**	**Industry**	**Country**
Doncasters	6.0	Diversified/Conglomerate Manufacturing	UK
Civica	3.2	Software	UK
Wella	3.1	Non-Durable Consumer Goods	UK
Ekaterra	3.1	Beverage & Food	Netherlands
Hotelbeds	2.6	Travel & Leisure	Spain

5 Largest Issuers as at 31 December 2022			
Issuer	**% of Gross Assets**	**Industry**	**Country**
Doncasters	5.8	Diversified/Conglomerate Manufacturing	UK
Ekaterra	3.4	Beverage & Food	Netherlands
Civica	3.2	Software	UK
Wella	3.2	Non-Durable Consumer Goods	UK
Drive DeVilbiss	2.6	Healthcare & Pharmaceuticals	US

5 Largest Industry Positions as at 30 June 2023[1]	
Healthcare & Pharmaceuticals	11.6%
Chemicals	9.5%
Beverage & Food	8.7%
Business Services	7.4%
Travel & Leisure	7.2%

5 Largest Industry Positions as at 31 December 2022[1]	
Healthcare & Pharmaceuticals	12.5%
Beverage & Food	9.7%
Chemicals	8.4%
Travel & Leisure	7.8%
Business Services	6.7%

Geographical Breakdown by issuer country[1]	**As at 30 June 2023**	**As at 31 December 2022**
UK	27.5%	30.2%
US	19.1%	21.0%
Netherlands	12.0%	13.2%
Germany	11.4%	10.4%
Spain	7.5%	3.8%
France	7.2%	9.2%
Luxembourg	5.4%	4.8%
Denmark	2.6%	0.7%
Finland	1.6%	1.6%
Norway	1.5%	2.6%
Other	4.2%	2.5%

Currency Breakdown	**As at 30 June 2023**	**As at 31 December 2022**
EUR	63.9%	60.1%
USD	15.9%	20.3%
GBP	20.2%	19.6%

Portfolio Statistics[2] (continued)

Asset Breakdown	As at 30 June 2023	As at 31 December 2022
Loans (1st Lien)	57.4%	62.3%
Senior Secured Bonds	16.9%	11.4%
Loans (2nd Lien)	5.5%	6.5%
Structured	7.9%	8.5%
Senior Unsecured Bonds	2.8%	2.6%
Cash	0.4%	(0.3)%
Other	9.1%	9.0%

Performance

The Euro Shares and Sterling Shares NAV total returns for H1 2023 were 11.21% (H1 2022: (9.74%), FY 2022 (8.31%)) and 11.53% (H1 2022: (9.14%), FY 2022: (6.75%)), respectively.

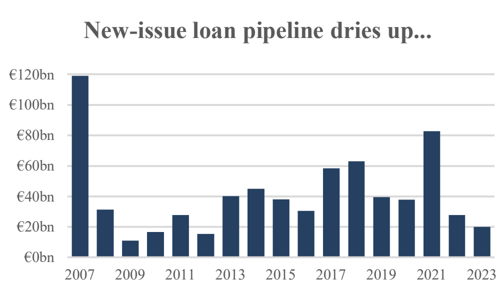
The performing credit segment of the portfolio returned 10.98% gross[4] during H1 2023 (31 December 2022: (6.64%)), while the credit opportunities segment returned 13.58% gross during H1 2023 (31 December 2022: (7.05%)). Based on an average allocation of 47% (31 December 2022: 49%) to performing credit and 53% (31 December 2022: 51%) to credit opportunities, this resulted in a gross contribution of 5.13% (31 Dec 2022: (3.09)%) from the performing credit segment and 7.17% (31 Dec 2021: (3.61%)) from the credit opportunities segment.

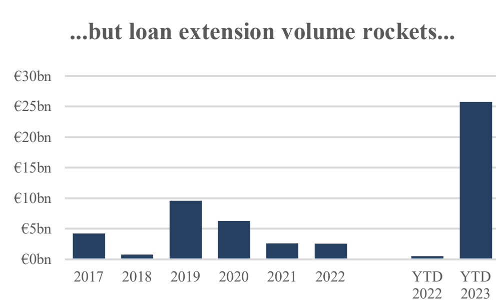
The CS WELLI, hedged to EUR, was up 6.68% for H1 2023, as compared to being down (3.28%) for the year ended 31 December 2022. The Credit Suisse Western European High Yield Index ("CS WEHYI"), hedged to EUR, was up 5.03% for H1 2023, as compared to being down (11.64)% for the year ended 31 December 2022.

Market Review

Just like most other asset classes, European loans had a strong start to 2023. As noted above, the CS WELLI, hedged to EUR, returned 6.68% in the first half of the year. The average bid price on the index moved from 91.56 at the end of last year to 94.71 at the end of H1 2022. Broadly speaking, the 6.7% return is the result of 2.8% uplift in mark to market and 3.9% income generation. The current yield on the index is now 8.13%.[a] 3 month Euribor, to which most European loans are linked, went from 2.1% at the end of 2022 to 3.6% at the end of June 2023, hence the average carry on the index should be higher in the second half of the year than in the first half of the year.

Most primary activity in H1 2023 consisted of refinancings as M&A activity remains slow. Financials sponsors are incredibly focused on the debt maturity wall and hence are refinancing 2024 and 2025 maturities this year already, given capital markets were effectively closed for issuance for the majority of 2022.





Source: Pitchbook (LCD + Data through June 30, 2023)

New issue spreads have generally been considerably wider than where some older vintage spreads are. The Investment Vehicle Manager observed average single B priced somewhere between E+425bps and 500bps, whereas before the war in Ukraine broke out, had observed single B spreads in the region of E+325bps to 400bps. At the same time, loan managers have been able to push back on better documentation, with fewer loopholes for value leakage away from lenders.

Portfolio Overview

After a disappointing 2022, the portfolio bounced back in the first half of 2023. The Investment Vehicle Manager continues to focus on larger companies as the anticipated default rates are likely to be lower in this sub-segment of the market. The average EBITDA on the portfolio was €351m, which compares to €294m at the end of 2022. Larger businesses are typically less risky as they are a) more diversified, b) tend to attract better management teams and c) have large sponsors that, more often than not, have deep pockets to support these businesses if needed.

The split between performing credit and credit opportunities has been slightly skewed towards credit opportunities, even though the Investment Vehicle Manager didn't deviate much from the 50/50 historic split between the two sleeves of the fund. Overall, given the attractive yields on offer in the performing credit market, and the still uncertain macro outlook, the Investment Vehicle Manager feels comfortable with this split as it nicely balances income and capital upside.

When we break down the gross returns for the portfolio in H1 2023, about 6.8% consists of cash interest and about 5.5% consists of capital appreciation. With base rates in the second half of the year expected to be higher, and wider credit spreads coming through from refinancing activity, the fund continues to generate sufficient income to cover the dividend and has the scope to pay in excess of the 1.75c/1.875p quarterly dividend in the 2023 final dividend, as it did in 2022.

Since the start of the year, the Investment Vehicle Manager has also increased its exposure to fixed rate bonds. Even though further rate hikes, especially in the UK, are anticipated, this is now to some extent priced into the market and some recent new high yield issues have come with attractive coupons. One example of this is the new sustainability-linked bond issued by IHO Verwaltungs GmbH (rated Ba2/BB-), which was issued at 98.96 with a coupon of 8.75% for an all-in yield of 9%[c]. To put this into perspective, the last EUR denominated bond this company issued back in 2019 came with a coupon of 3.88%[c]. Overall, the exposure to fixed rate bonds has increased from 11.3% at the end of 2022 to 17.8% at the end of H1 2023.

There were two defaults in the portfolio in the first half of the year. The largest of the two is a global producer of ink and consumables mainly for the packaging industry. The company was hit by delays in passing through rising input costs and customer de-stocking. The smaller of the two is a US utilities company which was impacted by lower than expected market prices as some older competing assets in the area were staying operational for longer than expected. At the end of June, these assets were marked at 67.13 and 24.25 respectively. In both scenarios, the Investment Vehicle Manager expects higher ultimate recoveries through a debt for equity swap.

Across the entire portfolio, as of June 2023 month end, the weighted average market price was 88.2, trading at a YTM of 17.4% on the EUR share class and 18.8% on the GBP share class. This compares to a weighted average market price of 83.6 at the end of December 2022. Floating rate assets comprised 79.6% of the portfolio, and hence the YTM on both the EUR and GBP share class should continue to increase if, as anticipated, the ECB and Bank of England hike base rates further in 2023. At the end of June, the fund had a cash position of 0.4% with leverage of 1.34x assets, down from 1.38x at the end of 2022.

Environmental, Social and Governance ("ESG") Considerations

ESG remains a key focus for the Investment Vehicle Manager. CVC published its 2023 annual ESG report (www.cvc.com/responsibility/esg-reporting), thereby providing greater insight into how ESG is managed within the overall CVC group. The report looks at how CVC considers themes that are core to the evolving approach to sustainability and provides an update on progress over the last 12 months. The report covers CVC's approach to ESG, how ESG is integrated into the investment process as well as an update on the CVC Foundation which is dedicated to improving the lives and opportunities of disadvantaged individuals in the communities where we operate.

The Investment Vehicle Manager continues to look at ways to incorporate ESG even further in its investment process. In 2022, the Investment Vehicle Manager introduced a proprietary internal ESG scorecard and signed up for Sustainable Fitch and now also incorporates data from Sustainable Fitch into the ESG integration process.

Conclusion and Outlook

After a strong recovery in the first half of 2023, the Investment Vehicle Manager remains positive on the outlook for the remainder of 2023. Corporate earnings have so far held up reasonably well and default rates have – in line with what we anticipated in our full year 2022 report – increased slowly. Overall, these defaults remain manageable for the loan market. There have been some high profile defaults such as Orpea (nursing homes), Casino (food retail) and Genesis Care (healthcare) in Europe to name only a few. Even though these are more idiosyncratic events, rising base rates and more difficult access to capital markets have accelerated some of these defaults. The Investment Vehicle Manager anticipates defaults in the market to continue to pick up over the next 6-12 months.

M&A activity remained very subdued in H1 2023, but we are starting to see some green shoots, with, for example, the announced public-to-private of Software AG for €2.6bn by Silver Lake[c]. There are further signs that M&A activity is picking up however we don't anticipate a major resurrection in volumes before the start of 2024, at the earliest. With limited new deal flow coming to the European leveraged loan and high yield markets, most primary activity will continue to be dominated by refinancing activities.

Sources

[a] Credit Suisse Western European Leveraged Loan Index
[b] Credit Suisse Western European High Yield Index
[c] Bloomberg

[1] Excludes 38 (31 December 2022: 41) structured finance positions.
[2] Note: all metrics exclude cash unless otherwise stated.
[3] Average market price of the portfolio weighted against the size of each position.
[4] Excluding management fees.

CVC Credit Partners Investment Management Limited
Investment Vehicle Manager

Pieter Staelens
Managing Director, Portfolio Manager
27 September 2023

Pieter 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.

Disclaimer:

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.

The indices referred to herein (including the Credit Suisse Western European High Yield Index hedged to Euro and the Credit Suisse Western European Leveraged Loan Index hedged to Euro) are widely recognised, unmanaged indices of market activity and have been included as general indicators of market performance. The Credit Suisse Western European High Yield Index is a market cap weighted benchmark index designed as an objective proxy for the investable universe of the Western European high yield debt market. The Credit Suisse Western European Leveraged Loan indices are designed to mirror the investable universe of the Western European leveraged loan market. There are significant differences between the types of investments made or expected to be made by the Investment Vehicle and the investments covered by the indices, and the methodology for calculating returns. For example, the Credit Suisse Western European High Yield Index does not take transaction costs (bid-offer spreads) into account and for the month during which a coupon is paid, the cash flow is reinvested at a fixed money-market rate until the end of the month. Additionally, the Credit Suisse Western European Leveraged Loan Index assumes that coupon payments are reinvested into an index at the beginning of each period. In contrast, the Investment Vehicle Manager may have discretion whether to reinvest such payments during any relevant investment period. It should not be assumed that the Investment Vehicle will invest in any specific equity or debt investments, such as those that comprise the indices, nor should it be understood that there will be a correlation between the Investment Vehicle's returns and those of the indices. It should not be assumed that correlations to the indices based on historical returns will persist in the future. No representation is made that the Investment Vehicle will replicate the performance of any of the indices. The indices are included for general, background informational purposes only and recipients should use their own judgment to appropriately weight or discount their relevance to the Investment Vehicle.

HALF YEARLY BOARD REPORT (CONTINUED)
EXECUTIVE REPORT

This Executive Report is designed to provide information about the Company's business and results for the period ended 30 June 2023. 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 period 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 Euro Shares and Sterling Shares which are denominated in Euro and Sterling respectively. The Company's Euro Shares and Sterling Shares are listed on the Official List of the UK Listing Authority and admitted to trading on the Main Market in the premium segment of the London Stock Exchange. The Company also has two Management Shares in issue, which are unlisted. Details of the shares in issue are detailed on page 45.

The Company's assets are managed by its own Directors, thus self-managed. The Directors of the Company have invested the net proceeds from share issues into Compartment A of an existing European credit opportunities investment vehicle, CVC European Credit Opportunities S.à r.l. (the "Investment Vehicle"), managed by the Investment Vehicle Manager.

The Company is a member of the Association of Investment Companies ("AIC") and the European Leverage Finance Association ("ELFA"). The Company is regulated by the Jersey Financial Services Commission ("JFSC)".

Significant events during the six months ended 30 June 2023

Tender mechanism
The Company completed the following tenders under its tender mechanism during the period. All of the shares tendered were transferred into the Company's name and held in treasury.

Tender	Settlement date	Euro shares tendered	Euro share tender price	Sterling shares tendered	Sterling share tender price
March 2023	17/05/2023	378,000	€0.9159	2,681,399	£1.0050

Share conversions
The Company did not receive any share conversion requests from shareholders during the period ended 30 June 2023.

Removal of Performance Fee
On 17 February 2023, the Company announced that it was notified by the Investment Vehicle that the Investment Vehicle Manager had waived its future right to receive an Investment Vehicle performance fee, such waiver took effect from 1st January 2023.

Increase in Annual Dividend Targets
On 7 March 2023, the Board announced that it had completed its review of the Company's annual dividend targets, given the significantly elevated cash yield being produced by the Investment Vehicle's underlying portfolio. As a consequence, the Company's annual dividend targets were increased from 6c per ordinary Euro Share and 6p per ordinary Sterling Share to 7 c per ordinary Euro Share and 7.5p per ordinary Sterling Share with effect from 7 March 2023.

Dividends
The Company announced and paid two quarterly dividends totalling €0.03500 and £0.04375 per Euro share and Sterling share, respectively, in the period ended 30 June 2023 (30 June 2022: €0.0250 and £0.0250). Refer to note 12 for full details of each quarterly dividend.

Offsetting carbon footprint
On 26 January 2023, it was agreed during the ESG committee meeting that it would be prudent for all Directors to record their travel individually and offset their carbon footprint with effect from 1 February 2023.

Significant events during the six months ended 30 June 2023 (continued)

Transactions by Directors

On 5 April 2023, Richard Boléat, a Director of the Company, purchased 3,846 ordinary Euro shares in the Company.
On 6 April 2023, Richard Boléat, a Director of the Company, purchased 12,744 ordinary Euro shares in the Company.
On 12 May 2023, Esther Gilbert, a Director of the Company, purchased 2,857 Sterling shares in the Company.

Appointment of Thornbridge Investment management LLP as Distributor

On 12 June 2023, the Company appointed Thornbridge Investment management LLP ("Thornbridge") for the provision of distribution and investor relations services.

Events after the reporting date

Transactions by Directors

On 18 July 2023, Vanessa Neil, a Director of the Company, purchased 10,805 Sterling shares in the Company.
On 18 August 2023, Esther Gilbert, a Director of the Company, purchased 2,023 Sterling shares in the Company.

Conversion of Shares

On 20 July 2023, the Company announced that it had received eligible conversion notices from shareholders in respect of 927,731 Euro Shares and 300,996 Sterling Shares by the relevant closing date. Accordingly, an application was made for the admission of 725,186 Sterling Shares and 385,062 Euro Shares to the Official List of the UK Listing Authority and the main market for listed securities of the London Stock Exchange.

Dividend declaration

On 27 July 2023, the Company declared a dividend of €0.1750 per ordinary Euro Share and £0.01875 per ordinary Sterling share payable on 1 September 2023 to shareholders on the register as at 10 August 2023.

Contractual tender

On 15 August 2023, the Company announced it had received applications from shareholders to tender 7,601,914 Euro shares and 8,345,241 Sterling Shares in respect of the September 2023 Semi-Annual Tender.

Appointment and Retirement of Directors

On 14 September 2023 the Company announced the appointment of Philip Braun as an independent non-executive director of the Company with effect from 14 September 2023. Philip Braun will be taking over the role of Chair of the Audit Committee from Mark Tucker, who will be retiring from the Board, as planned, on 31 December 2023.

On 25 September 2023, the Company announced the appointment of Robert Kirkby as an independent non-executive director of the Company with effect from 22 September 2023. Robert Kirkby will be taking over the role of Chair of the Board from Richard Boléat, who will be retiring from the Board, as planned, at the next AGM in 2024.

Share capital and voting rights

The Company has two classes of ordinary shares, being Euro shares and Sterling shares. The Company held the following number of shares in treasury as at 30 June 2023:

45,145,789 Euro shares (31 December 2022: 44,767,789 Euro shares)
239,187,994 Sterling shares (31 December 2022: 236,506,595 Sterling shares)

Excluding shares held in treasury, the Company had the following number of shares in issue as at 30 June 2023:

104,698,336 Euro shares (31 December 2022: 105,076,336 Euro shares)
126,837,208 Sterling shares (31 December 2022: 129,518,607 Sterling shares)

Each Euro share holds 1 voting right, and each Sterling share holds 1.17 voting rights. As at 30 June 2023, the total number of voting rights of the Euro shares of no par value is 104,698,336 (41.37%) (31 December 2022: 105,076,336, (40.95 %)) and of the Sterling shares is 148,399,533 (58.63%) (31 December 2022: 151,536,770, (59.05 %)). The total number of voting rights in the Company is 253,097,869 (31 December 2022: 256,613,106).

HALF YEARLY BOARD REPORT (CONTINUED)
EXECUTIVE REPORT (CONTINUED)

Purpose
The Company is an investment company, and its purpose is to operate in accordance with the investment objective set out below. In fulfilling the Company's purpose, the Board seeks to consider the views of all stakeholders and is mindful of the impact that the Company has on wider society.

Investment objective
The Company's investment objective is to provide shareholders with regular income returns and capital appreciation from a diversified portfolio of predominantly sub-investment grade European corporate debt instruments.

Investment policy
The Company's investment policy is to invest predominantly in debt instruments issued by companies domiciled, or with material operations, in Western Europe across various industries.

The Company's investments are focused on the senior secured obligations of such companies, but investments are also made across the capital structure of such companies.

The Company pursues its investment policy by investing all of its assets, save for a working capital balance, in the Investment Vehicle. The investment policy of the Investment Vehicle is subject to the following limits (the "investment limits"):

- A minimum of 50% of the Investment Vehicle's gross assets will be invested in senior secured obligations (which, for the purposes of the investment limit will include cash and cash equivalents);
- A minimum of 60% of the Investment Vehicle's gross assets will be invested in obligations of companies/borrowers domiciled, or with material operations, in Western Europe;
- A maximum of 7.5% of the Investment Vehicle's gross assets will be invested at any given time in obligations of a single borrower subject to a single exception at any one time permitting investment of up to 15 per cent in order to participate in a loan to a single borrower, provided the exposure is sold down to a maximum of 7.5 per cent within 12 months of acquisition;
- A maximum of 20% of the Investment Vehicle's gross assets will be invested in collateralised loan obligation securities; and
- A maximum of 25% of the Investment Vehicle's gross assets will be invested in CVC Capital Portfolio Company[3] debt obligations calculated as invested cost as a percentage of the Investment Vehicle's gross assets.

The Investment Vehicle is permitted to borrow up to an amount equal to 100 per cent of the NAV of the Investment Vehicle at the time of borrowing. The Investment Vehicle's borrowings (including short term repo financing) as a percentage of the Company's NAV[1] as at 30 June 2023 stood at 33.62% (31 December 2022: 36.64%).

General
The investment objective and investment policy of the Investment Vehicle are consistent with the investment objective and investment policy of the Company. In the event that changes are made to the investment objective or investment policy of the Company or of the Investment Vehicle (including the "Investment Limit" and/or the "Borrowing Limit"), the Directors will seek shareholder approval for changes which are either (a) material in their own right or, (b) when viewed as a whole, together with previous non-material changes, constitute a material change from the published investment objective or policy of the Company. No such changes were considered at the Company's AGM on 2 May 2023.

Company borrowing limit
The Company may borrow up to 15% of the NAV of the Company for the sole purpose of purchasing or redeeming its own shares otherwise than pursuant to its tender mechanism. As at 30 June 2023, the Company did not have any borrowings (31 December 2022: no borrowings).

Investment strategy and approach
The Company has given effect to its investment policy by subscribing for Preferred Equity Certificates, (the "PEC's"), Series 4 and 5, issued by the Investment Vehicle. Series 4 and 5 PECs are denominated in Euro and Sterling, respectively, and are income distributing.

HALF YEARLY BOARD REPORT (CONTINUED)
EXECUTIVE REPORT (CONTINUED)

Investment strategy and approach (continued)
The Investment Vehicle Manager's investment strategy for the Investment Vehicle is to make investments across approximately 40 to 60 companies based on detailed fundamental analysis of the operations and market position of each company and its capital structure.

The Investment Vehicle Manager invests in the debt of larger companies and invests in companies with a minimum EBITDA of €50 million or currency equivalent at the time of investment. The Investment Vehicle Manager believes that the debt of larger companies offers a number of differentiating characteristics relative to the broader market, including:

(i) larger, more defensive market positions;
(ii) access to broader management talent;
(iii) multinational operations which may reduce individual customer, sector or geographic risk and provide diverse cash flow;
(iv) levers, such as working capital and capital expenditure, which can be managed in the event of a slowdown in economic growth; and
(v) wider access to both debt and equity capital markets.

Based on the market opportunity, the Investment Vehicle Manager invests in a range of different credit instruments across the capital structure of target companies (including, but not limited to, senior secured, second lien and mezzanine loans and senior secured, unsecured and subordinated bonds). Assets are sourced in both the new issue and secondary markets, using the sourcing networks of the Investment Vehicle Manager and in certain circumstances the CVC Group[2] more broadly. The Investment Vehicle Manager's access to deals is supported by the network of contacts and relationships of its leadership team and investment professionals, as well as the strong positioning of the CVC Group in the European leveraged finance markets. CVC Capital Portfolio Companies are one of the largest sponsor-led issuers of leveraged loan deals in Europe[4].

Each investment considered by the Investment Vehicle Manager is built around an investment thesis and generally falls into one of two categories:

1. Performing Credit[5]; and
2. Credit Opportunities[6].

The Investment Vehicle Manager analyses the risk of credit loss for each investment on the basis it will be held to maturity, but takes an active approach to the sale of investments once the investment thesis has been realised.

Further information in respect of the Investment Vehicle portfolio and performance as at 30 June 2023 can be found in the Investment Vehicle Manager's report on pages 10 to 14.

Directors' interests
As at 30 June 2023 and at the date of approval of the Half Yearly Financial Report, each Director held the following number of shares in the Company:

Director	Sterling shares held (30 June 2023)	Sterling shares held (27 September 2023)	Euro shares held (30 June 2023)	Euro shares held (27 September 2023)
Richard Boléat	30,000	30,000	16,590	16,590
Stephanie Carbonneil	22,200	22,200	nil	nil
Vanessa Neill	11,780	22,585	nil	nil
Mark Tucker	50,000	50,000	nil	nil
Esther Gilbert	10,130	12,153	nil	nil
Philip Braun*	n/a	nil	n/a	nil
Robert Kirkby*	n/a	nil	n/a	nil

* Philip Braun and Robert Kirkby were appointed on 14 September 2023 and 22 September 2023 respectively.

Refer to page 16 for the transactions by Directors involving the Company's shares.
No Director has any other interest in any contract to which the Company is a party.

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.

Since the publication of the Company's Annual Financial Report for the year ended 31 December 2022, there have been no material changes to the Company's principal risks and uncertainties.

A list of the principal risks and emerging risks are set out below. For information on how the Company mitigates both principal and emerging risks, refer to pages 27 to 29 of the 31 December 2022 Annual Financial Report (https://ig.cvc.com).

Principal risk	***Description***
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.
Credit risk	The Investment Vehicle invests predominantly in sub-investment grade European corporate issuers and therefore credit risk is greater than would be the case with investments in investment grade issuers.
Liquidity risk	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 Vehicle satisfies redemption requests by a combination of withdrawal of cash deposits, disposal of highly liquid assets (i.e. short-term, low risk debt investments) and disposal of other assets. The Investment Vehicle invests primarily in debt instruments that are tradeable on a secondary market and can be sold to raise cash. In addition, the Investment Vehicle maintains sufficient cash and cash equivalents to meet normal operating requirements and anticipated redemption requests.
Hedging risk	Whilst the Investment Vehicle Manager has historically taken steps to hedge the Investment Vehicle's foreign exchange risk, they are not obliged to do so and may terminate any hedging arrangement at any time. Moreover, it may not be possible for the Investment Vehicle Manager to hedge against foreign exchange risk under certain conditions or at an acceptable price, or at all. Hedging against foreign exchange risk may not be successful, and such failure may adversely affect the performance of the Investment Vehicle and, by extension, the Company's business, financial condition, results of operations, NAV and/or share price.
Macro-economic factors	Adverse macro-economic 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.

Principal Risks and Uncertainties (continued)

Principal risk	***Description***
Capital management risks	Shareholders may seek to redeem their shareholdings in the Company using the Company's periodic redemption arrangements, subject to restrictions as detailed in note 12, which could result in the NAV of the Company falling below €75 million and, as such, triggering 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. There is a risk that a continuation resolution will not be passed which could result in the redemption by the Company of its entire holding in the Investment Vehicle.
Geopolitical factors	*Russia/Ukraine war* The ongoing Russia / Ukraine war continues to have the potential to destabilise global and regional geopolitics, the full effects of which cannot be fully ascertained at this time. In addition, the approach by the western governments towards Russia continues to contribute to significant market dislocations in the supply and cost of petrochemicals.
Environmental, Social and Governance ("ESG") matters	Reputational damage stemming from the Company's environmental footprint, deemed disregard of its use of social capital and related activities and disclosures failing to meet the standard expected by shareholders and regulators. 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. 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.

Emerging risk	***Description***
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 Company may be exposed to additional risks not disclosed above or within the Half Yearly 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.

[1] Pro-rated for the Company's interest in the net assets of the Investment Vehicle of 51.17% as at 30 June 2023 (31 December 2022: 52.04%).
[2] CVC Group being the Investment Vehicle Manager 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.
[3] CVC Capital Portfolio Company means a company in which one or more CVC Capital Partners Funds: (i) has board representation; (ii) holds more than 25 per cent. of the share capital; or (iii) has an economic interest in excess of €100 million. CVC Capital Partners Fund means private equity funds that acquire controlling or significant minority interests in European, Asian and North American companies which CVC Capital Partners provides investment advisory and/or investment management services to.
[4] Source: Morningstar LCD European Loan Pipeline, for the period between January 2017 and March 2022.
[5] "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.
[6] "Credit Opportunities" refers to investments where the Investment Vehicle Manager anticipates an event in a specific credit situation 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. The Investment Vehicle Manager 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. The Investment Vehicle Manager 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.

HALF YEARLY BOARD REPORT (CONTINUED)
EXECUTIVE REPORT (CONTINUED)

Going concern

Under the Listing Rules, the AIC Code of Corporate Governance ("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 interim condensed 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 and also considered information regarding climate-related matters in conjunction with other uncertainties. 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 27 September 2024, a period of twelve months from the date of approval of the interim condensed financial statements. The Directors are also satisfied that no material climate-related matters or uncertainties exist that cast significant doubt over the Company's ability to continue as a going concern. In making this assessment, the Board have considered the impact that the Russia/Ukraine war and other macro-economic factors may have on the Company. Accordingly, they continue to adopt the going concern basis in preparing the interim condensed financial statements.

Future strategy

The Board believes that the investment strategy and policy adopted by the Investment Vehicle is appropriate for and is capable of meeting the Company's 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.

Refer to the Investment Vehicle Manager's Report for detail regarding performance of the Investment Vehicle's investments and the main trends and factors likely to affect the future development, performance and position of those investments.

Related parties

There have been no material changes to related party transactions as described in the Annual Financial Report for the year ended 31 December 2022. Refer to note 14 for information on related party transactions.

Environmental, Social and Governance ("ESG") Approach

The Company has identified the growing importance of responsible investment and integration of ESG considerations into the underlying investment process. The Company therefore engages with the Investment Vehicle Manager in order to better understand and monitor ESG-related risks and opportunities and to keep under review the Investment Vehicle Manager's ESG strategy and relevant processes.

Aware of evolving sustainability initiatives from European and UK regulators, legislative, industry associations and the harmonisation of frameworks; the Company continues to monitor developments in sustainability best practice and has prioritised the continued progress in the development of its approach to ESG.

Risk Management

Since 2022, The Investment Vehicle Manager has used a proprietary internal ESG scorecard to assist with the investment due diligence process. When appropriate, it also uses third party service provider data and industry questionnaires. As needed, CVC Credit may also engage directly with issuers on particular ESG-related issues.

Governance

The Company established an ESG Committee in 2022, which oversees the Company's ESG disclosures and ESG strategy of the Company. ESG is a priority agenda topic at each quarterly board meeting and includes regular discussions with the Investment Vehicle Manager.

The Company has integrated ESG risks into its governance structure and continues to:

- include ESG factors as a priority agenda topic in regular discussions with the Investment Vehicle Manager at each quarterly Board meeting.
- receive ESG policy and regulation updates from its legal advisors with a view to continually ensuring best practice.
- promote ESG as an item for Directors' continued professional development in-line with the Board's belief that ESG risks and opportunities are key developments in the credit industry that the Directors should keep up-to date with.

ESG Strategy

The Company continues to engage with the Investment Vehicle Manager in order to better understand and monitor ESG-related risks and opportunities.

The Investment Vehicle Manager's ESG and investment policies mandate that the investment management team includes ESG considerations in the investment process, where possible, before making an investment. ESG and responsible investing factors are considered at the following stages:

- Investment selection – consider high level and relevant ESG factors and responsible investing issues as part of the overall due diligence process. Since 2022, the Investment Vehicle Manager has used a proprietary internal ESG scorecard to assist it with its due diligence process.
- Investment paper – seeks to include analysis on material ESG issues and responsible investing considerations, if applicable and relevant, based on the due diligence around those issues. Such due diligence may include a review of environmental and social reports, site visits, management interviews, and discussions with key stakeholders.

Following an investment, the investment team will seek to monitor ESG and responsible investing considerations on an ongoing basis.

- Portfolio review – Investment analysts seek to include commentary on material ESG and responsible investing risks as part of their regular portfolio monitoring reporting to the Investment Committee of the Investment Vehicle Manager. The investment analysts have access to a screening tool to utilise for screening of adverse ESG-related news for individual issuers.

ESG (Approach) (continued)

ESG Strategy (continued)

The Company plans to continue its collaboration with the Investment Vehicle Manager and to encourage the Investment Vehicle Manager to collaborate with sponsors and ESG data providers (such as the credit rating agencies) with a view to facilitating continual improvement in the quantity and quality of the ESG data gathered by the Investment Vehicle Manager and the Company's climate-related disclosures.

Additionally, the Board has continued with its support to 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 to enable a range of organisations to benefit from environmental education and wellbeing classes. Year to date in 2023, 19 organisations have enjoyed the benefit of the Centre. The funds from Company have also enabled the installation of solar photovoltaic panels to be installed on the roof of the Centre. These panels will generate a planned maximum output of 7Kw of electricity or 4.8 MWh/year. The JNP will be monitoring the renewable energy derived from the solar panels over the course of the coming year, to determine the energy savings from current electricity usage levels. It will display the renewable energy readouts at the Centre, to build awareness and education of the benefits of renewable energy sources to visitors whilst transparently evidencing the renewable energy usage.

ESG Disclosures and Metrics

The Board 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. While the Company is not within scope of the mandatory climate-related financial disclosure requirements, it has been a formal supporter of the Task Force for Climate Related Financial Disclosures ("TCFD") recommendations since 2018 and expects the companies in which the Investment Vehicle Manager invests to make TCFD disclosures, if required. Whilst CVC Income & Growth Limited is a self-managed alternative investment fund ("AIF"), 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 SFDR.

The Company continues to work towards reporting and disclosing the proportional operational (Scope 1 and 2) greenhouse gas emissions ("GHG") of the investee companies that comprise the portfolio along with metrics that evidence an intention to look to reduce these emissions. Scope 1 refers to all direct GHG, while Scope 2 refers to indirect GHG emissions from consumption of purchased electricity, heat, or steam. The Company recognises the importance of value chain (Scope 3) emissions; however due to the higher complexity of quantifying Scope 3, the Company will initially prioritise Scope 1 and 2.

Given the type and structure of the Company, the Company's own direct carbon footprint is very minimal and arises from Directors' business travel for board meetings. On 26 January 2023, it was agreed during the ESG committee meeting that it would be prudent for all Directors to record their travel individually and offset their carbon footprint with effect from 1 February 2023.

The Company is not required to make Streamlined Energy and Carbon Reporting (SECR) disclosures, which came into effect for reporting periods beginning 1 April 2019, as it consumed less than 40,000 kWh of energy.

We note some interesting data points from the ESG scorecard which evidences that the Investment Vehicle Manager is integrating ESG in the investment process and also demonstrates that ESG is an important area of focus for the underlying issuers as seen in the table below:

Description	Percentage of Issuers	Percentage of Portfolio AUM represented by data figure*
Percentage of issuers that have completed ESG scorecards	100%	100%
Percentage of issuers that have senior leadership oversight of ESG	72%	79%
Percentage of issuers that have a disclosable ESG Policy	68%	73%
Percentage of investee companies with gender diversity of Board or C-level management	66%	70%

* Excludes Structured Credit Investments which comprise 8% of the total portfolio AUM

ESG (Approach) (continued)
ESG Disclosures and Metrics (continued)
Looking forward
The approach to integrating ESG into the investment process covers the underlying assets of the Investment Vehicle. The Company recognises that enhancements to this approach will evolve. The Investment Vehicle Manager's adoption of CVC Credit's proprietary ESG Score Card and other third party tools are proving to be useful during the due diligence process prior to investment. As data from these tools becomes more reliable, robust and consistent; it will enable the Board to have greater visibility of ESG factors within the underlying issuers. In the meantime, the Board will look to provide updates in the Company's Annual and Half Yearly Financial Reports and the Company has committed to developing further insights on ESG through:

- Continuously developing its insights and knowledge on ESG matters. It participates in the ESG initiatives of the industry bodies, in order to inform its Directors of the latest regulatory and legislative developments relating to ESG as well as collaborative industry developments. It became a member of the European Leverage Finance Association ("ELFA") in 2022 and two Directors (Ms Neill and Ms Gilbert) are members of ELFA's ESG Committee. Ms Neill is also a member of the ESG Forum at the Association of Investment Companies ("AIC"). Participation in both these industry ESG forums provides useful insights on current ESG initiatives and issues in the investment trust sector and the debt, loan and CLO markets.
- The Company will continue to work with its external advisors as needed to continuously develop its ESG strategy.

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 Half yearly Report was approved by the Board of Directors on 27 September 2023 and signed on its behalf by:

Richard Boléat	**Mark Tucker**
Chairman	Audit Committee Chairman

DIRECTORS' STATEMENT OF RESPONSIBILITIES

The Directors are responsible for preparing the Half Yearly Financial Report in accordance with applicable Jersey law and regulations.

The Directors confirm to the best of their knowledge that:

- the unaudited interim condensed financial statements within the Half Yearly Financial Report have been prepared in accordance with IAS 34 – Interim Financial Reporting, as adopted by the European Union ("EU") and give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company as at 30 June 2023, as required by the Financial Conduct Authority's ("FCA") Disclosure Guidance and Transparency Rule ("DTR") 4.2.4R; and

- the Chairman's Statement, the Investment Vehicle Manager's Report, the Executive Report and the notes to the interim condensed financial statements include a fair review of the information required by:

  a) DTR 4.2.7R, being an indication of important events that have occurred during the six months ended 30 June 2023 and their impact on the unaudited interim condensed financial statements; and a description of the principal risks and uncertainties for the remaining six months of the year; and

  b) DTR 4.2.8R, being related party transactions that have taken place during the six months ended 30 June 2023 and that have materially affected the financial position or performance of the Company during that period.

Richard Boléat
Chairman
27 September 2023

Mark Tucker
Audit Committee Chairman

INDEPENDENT REVIEW REPORT TO CVC INCOME & GROWTH LIMITED

Conclusion

We have been engaged by CVC Income & Growth Limited (the "Company") to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2023 which comprises the Condensed Statement of Comprehensive Income, the Condensed Statement of Financial Position, the Condensed Statement of Changes in Net Assets, the Condensed Statement of Cash Flows, and the related notes 1 to 16 to the Condensed Financial Statements. We have read the other information contained in the half yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2023 is not prepared, in all material respects, in accordance with International Accounting Standard (IAS) 34 – Interim Financial Reporting as adopted by the European Union and the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

Basis for Conclusion

We conducted our review in accordance with International Standard on Review Engagements 2410 (UK) "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" (ISRE) issued by the Financial Reporting Council. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

As disclosed in note 2, the annual financial statements of the Company are prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with International Accounting Standard (IAS) 34 – Interim Financial Reporting as adopted by the European Union.

Conclusions Relating to Going Concern

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis for Conclusion section of this report, nothing has come to our attention to suggest that management have inappropriately adopted the going concern basis of accounting or that management have identified material uncertainties relating to going concern that are not appropriately disclosed.

This conclusion is based on the review procedures performed in accordance with this ISRE, however future events or conditions may cause the entity to cease to continue as a going concern.

Responsibilities of the directors

The directors are responsible for preparing the half-yearly financial report in accordance with the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

In preparing the half-yearly financial report, 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 review of the financial information

In reviewing the half-yearly report, we are responsible for expressing to the Company a conclusion on the condensed set of financial statements in the half-yearly financial report. Our conclusion, including our Conclusions Relating to Going Concern, are based on procedures that are less extensive than audit procedures, as described in the Basis for Conclusion paragraph of this report.

INDEPENDENT REVIEW REPORT TO CVC INCOME & GROWTH LIMITED (CONTINUED)

Use of our report

This report is made solely to the Company in accordance with guidance contained in International Standard on Review Engagements 2410 (UK) "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Financial Reporting Council. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company, for our work, for this report, or for the conclusions we have formed.

Ernst & Young LLP
London
27 September 2023

CONDENSED STATEMENT OF COMPREHENSIVE INCOME
For the six months ended 30 June 2023

	Notes	Six months ended 30 June 2023 (Unaudited) €	Six months ended 30 June 2022 (Unaudited) €
Income			
Investment revenue	3	10,205,451	7,266,918
Tender fee revenue	3	34,389	241,318
Bank interest revenue	3	45,354	-
Net gains/(losses) on financial assets held at fair value through profit or loss	7	17,250,594	(32,546,850)
Foreign exchange gain/(loss) on financial assets held at fair value through profit or loss	7	4,191,752	(3,953,878)
Foreign exchange (loss)/gain on ordinary shares	12	(4,275,681)	4,011,011
Other net foreign currency exchange gain/(loss) through profit or loss		43,385	(53,209)
		27,495,244	(25,034,690)
Expenses			
Operating expenses	4	(678,440)	(918,787)
		(678,440)	(918,787)
Profit/(loss) before finance costs and taxation		**26,816,804**	**(25,953,477)**
Finance costs			
Dividends paid	5/12	(10,082,068)	(6,721,728)
Profit/(loss) before taxation		**16,734,736**	**(32,675,205)**
Taxation		-	-
Increase/ (decrease) in net assets attributable to shareholders from operations		**16,734,736**	**(32,675,205)**
Return/(loss) per Euro share	12	€0.0636	€(0.1354)
Return/(loss) per Sterling share (Sterling equivalent)	12	£0.0673	£(0.1166)

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

The Company has no items of other comprehensive income/(loss).

The notes on pages 32 to 49 form an integral part of these condensed financial statements.

CONDENSED STATEMENT OF FINANCIAL POSITION
As at 30 June 2023

	Notes	30 June 2023 (Unaudited) €	31 December 2022 (Audited) €
Assets			
Financial assets held at fair value through profit or loss	7	253,022,880	234,969,326
Prepayments		27,176	50,374
Cash and cash equivalents		1,541,655	2,196,695
Total assets		**254,591,711**	**237,216,395**
Liabilities			
Payables	9	195,972	377,325
Total liabilities excluding net assets attributable to shareholders		**195,972**	**377,325**
Net assets attributable to shareholders	13	**254,395,739**	**236,839,070**
Total liabilities		**254,591,711**	**237,216,395**

The interim condensed financial statements on pages 28 to 49 were approved by the Board of Directors on 27 September 2023 and signed on its behalf by:

Richard Boléat
Chairman

Mark Tucker
Audit Committee Chairman

The notes on pages 32 to 49 form an integral part of these interim condensed financial statements.

CONDENSED STATEMENT OF CHANGES IN NET ASSETS
For the six months ended 30 June 2023 (Unaudited)

	Note	Net assets attributable to shareholders €
As at 1 January 2023		**236,839,070**
Issuance and subscriptions arising from conversion of ordinary shares	12	-
Redemption payments arising on conversion and tender of ordinary shares	12	(3,453,748)
Increase in net assets attributable to shareholders from operations		16,734,736
Net foreign currency exchange loss on opening ordinary shares	12	4,275,681
As at 30 June 2023		**254,395,739**

For the six months ended 30 June 2022 (Unaudited)

	Note	Net assets attributable to shareholders €
As at 1 January 2022		**312,415,699**
Issuance and subscriptions arising from conversion of ordinary shares	12	5,989,751
Redemption payments arising on conversion and tender of ordinary shares	12	(32,132,064)
Decrease in net assets attributable to shareholders from operations		(32,675,205)
Net foreign currency exchange gain on opening ordinary shares	12	(4,011,011)
As at 30 June 2022		**249,587,170**

The notes on pages 32 to 49 form an integral part of these interim condensed financial statements.

CONDENSED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2023

	Notes	Six months ended 30 June 2023 (Unaudited) €	Six months ended 30 June 2022 (Unaudited) €
Cash flows from operating activities			
Profit/(loss) before taxation[1]		16,734,736	(32,675,205)
Adjustments to reconcile profit/(loss) before tax to net cash flows:			
- Net (gain)/loss on financial assets held at fair value through profit or loss	7	(17,250,594)	32,546,850
- Foreign exchange (gain)/loss on financial assets held at fair value through profit or loss	7	(4,191,752)	3,953,878
- Foreign currency exchange loss/(gain) on ordinary shares	12	4,275,681	(4,011,011)
- Dividends paid	12	10,082,068	6,721,728
Changes in working capital:			
- Decrease in prepayments		23,198	32,625
- (Decrease)/increase in payables		(181,353)	5,447
Net cash provided by operating activities		**9,491,984**	**6,574,312**
Cash flows from investing activities			
Proceeds from redemption of financial assets held at fair value through profit or loss[2]	7	3,388,792	25,857,644
Net cash provided by investing activities		**3,388,792**	**25,857,644**
Cash flows from financing activities			
Payments for redemption of ordinary shares[3]	12	(3,453,748)	(26,176,529)
Dividends paid	5/12	(10,082,068)	(6,721,728)
Net cash used in financing activities		**(13,535,816)**	**(32,898,257)**
Net increase/(decrease) in cash and cash equivalents in the period		**655,040**	**(466,301)**
Cash and cash equivalents at beginning of the period		2,196,695	3,001,936
Cash and cash equivalents at the end of the period		**1,541,655**	**2,535,635**

[1] – Includes investment revenue of £10,285,194 (30 June 2022: £7,266,918 (which includes cash flows from income distributions received of €10,205,451 (30 June 2022: €7,264,692) and cash flows from bank interest revenue received of €45,354 (30 June 2022: €2,226)) and tender fee revenue of €34,389 (30 June 2022: €241,318).

[2] – Cash flows arising from redemption of financial assets above does not include redemptions arising from conversion of PECs of €nil (30 June 2022: €5,955,535) as these transactions have no associated cash flow.

[3] – Cash flows arising from redemption of ordinary shares above does not include redemptions arising from conversion of ordinary shares of €nil (30 June 2022: €(5,955,535)) as these transactions have no associated cash flow.

The notes on pages 32 to 49 form an integral part of these interim condensed financial statements.

NOTES TO THE CONDENSED 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 Euro shares and Sterling shares were admitted to the Official List of the UK Listing Authority ("UKLA") and admitted to trading on the Main Market 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 Annual Financial Report is prepared in accordance with the Disclosure Guidance and Transparency Rules of the Financial Conduct Authority ("FCA") and with International Financial Reporting Standards ("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 Half Yearly Financial Report has been prepared in accordance with International Accounting Standards (IAS) 34 – Interim Financial Reporting ("IAS 34") as adopted by the European Union. The Half Yearly Financial Report has also been prepared using the same accounting policies applied for the year ended 31 December 2022 Annual Financial Report, which was prepared in accordance with IFRS. The Company has not adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Several amendments and interpretations became effective for the first time in 2023, however they do not have an impact on the condensed interim financial statements.

Critical 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.

Critical accounting judgements

Classification of ordinary shares as a financial liability

During the May 2022 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 macro-economic 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 macro-economic environment.

The Board believe 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.

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 (e.g. global pandemics and political unrest etc.) 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.

Climate change

In preparing the interim condensed financial statements, the Directors have considered the impact of climate change and have concluded that climate-related matters have no material financial impact on the Company's financial statements as there were no significant climate change related issues in any of the issuers in which the Investment Vehicle invests. The Directors will continue to monitor the reputational risks emanating from climate change identified in the principal risks and uncertainties section of the Half Yearly Report.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS (CONTINUED)

2. Accounting policies (continued)

Critical accounting estimates and judgements (continued)

Critical accounting estimate
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 at the Investment Vehicle, adjusted for discount for lack of liquidity, if necessary, as the underlying investments held at 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. Please refer to note 2.4(c) of the 2022 Annual Report for details regarding fair value estimation of financial assets.

The Board has concluded that no adjustment was necessary in the current period, given that the PECs have not been redeemed at a price below the NAV during current and prior periods.

The Directors have used their judgement to determine that the Company's presentational and functional currency is Euro.

Although these judgements, estimates and assumptions are based on best knowledge of current facts, circumstances and, to some extent, future events and actions, the actual results may ultimately differ from those estimates, possibly significantly.

2.1. 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 and also considered information regarding climate-related matters in conjunction with other uncertainties. 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 27 September 2024, a period of twelve months form the date of approval of the condensed interim financial statements, being the period of assessment covered by the Directors. The Directors are also satisfied that no material climate-related matters or uncertainties exist that cast significant doubt over the Company's ability to continue as a going concern. In making this assessment, the Board have considered the impact that Russia's invasion of Ukraine may have on the Company. Accordingly, they continue to adopt the going concern basis in preparing the condensed interim financial statements.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS (CONTINUED)

2. Accounting policies (continued)

2.2. 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.

2.3. Seasonality of operations

The Company's operations are not seasonal in nature. As such, its performance is not subject to seasonal fluctuations.

3. Investment revenue, tender fee revenue and bank interest revenue

	Six months ended 30 June 2023 (Unaudited) €	**Six months ended 30 June 2022 (Unaudited) €**
Income distributions	10,205,451	7,264,692
Bank interest revenue	45,354	2,226
	10,250,805	**7,266,918**

Tender fee revenue

The tender price pursuant to the Company's tender mechanism is calculated based on the NAV per share (calculated as at the final business day in each quarter up until, and including, the March 2023 tender, and thereafter (i) as at the final Business Day of the month of September 2023; or (ii) as at the final Business Day of the month of March 2024, 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 €1.00 per Euro share and £1.00 per Sterling share), which is retained by the Company. The Company recognises retained redemption proceeds of 1% as tender fee revenue.

During the period, 378,000 Euro shares (30 June 2022: 7,020,412) and 2,681,399 Sterling shares (30 June 2022: 14,408,579) have been tendered by shareholders which generated tender fee income of €34,389 (30 June 2022: €241,318).

Refer to note 12 for further details on the tender mechanism.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS (CONTINUED)

4. Operating expenses

	Six months ended 30 June 2023 (Unaudited) €	**Six months ended 30 June 2022 (Unaudited) €**
Administration fees	124,776	119,553
Directors' fees (see note 6)	149,174	173,444
Advisor fees	17,467	67,647
Regulatory fees	24,953	25,345
Audit fees	45,540	31,883
Non-audit fees paid to the auditor	12,711	12,594
Professional fees	76,785	287,054
Registrar fees	31,800	39,148
Brokerage fees	30,139	28,079
Trustee fees	10,991	11,969
Marketing fees	40,241	-
Sundry expenses	113,863	122,071
Total operating expenses	**678,440**	**918,787**

Non-audit fees
Non-audit fees relate to interim review services amounting to €12,711 (30 June 2022: €12,594).

Advisor fees
On 12 June 2023, the Company appointed Thornbridge Investment management LLP ("Thornbridge") for the provision of distribution and investor relations services. During the period, Advisor fees incurred were €17,467 (30 June 2022: €67,647).

Trustee fees
Trustee fees relate to fees paid to the trustee of the CCPEOL Purpose Trust (the "Trust") which facilitates the conversion of treasury shares as further described in note 12. As the Trust was not engaged to convert treasury shares during the period ended 30 June 2023 (30 June 2022: none), the Trust did not earn any commission fee income for providing such services (30 June 2022: nil). As such, the Board agreed to settle the expenses of the Trust, being trustee fees of €10,991 (30 June 2022: €11,969)) which were paid to Zedra Jersey Trust Corporation Limited (formerly known as BNP Paribas Jersey Trust Corporation Limited) during the period.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS (CONTINUED)

5. Finance costs

Dividends paid

Refer to note 12 for further information on dividends paid.

6. Directors' fees and interests

Table of Directors' Remuneration

Director	Annual Rate
Richard Boléat (Chairman)	
- Annual Fee	£65,000 (€74,199)
Mark Tucker	
- Annual Fee	£43,750 (€49,942)
- Senior Independent Director	£1,250 (€1,427)
- Chairman of the Audit Committee	£5,000 (€5,708)
Stephanie Carbonneil	
- Annual Fee	£42,500 (€48,515)
- Chair of the Nomination and Remuneration Committee	£5,000 (€5,708)
Vanessa Neill	
- Annual Fee	£42,500 (€48,515)
- Chair of the ESG Committee	£5,000 (€5,708)
Esther Gilbert	
- Annual Fee	£42,500 (€48,515)
Philip Braun (Appointed 14 September 2023)	
- Annual Fee	£42,500 (€48,515)
Robert Kirkby (Appointed 22 September 2023)	
- Annual Fee	£42,500 (€48,515)

Directors receive the above annual fees for their commitment as Directors. The Directors are also reimbursed for their expenses on an ad hoc basis. No pension contributions were payable in respect of any of the Directors. No other remuneration or compensation was paid or is payable by the Company during the period to any of the Directors. There has been no change to the Company's remuneration policy.

The Company has no employees. Accordingly, there are no differences in policy on the remuneration of Directors and the remuneration of employees.

Refer to note 4 for details of total Directors' fees during the period ended 30 June 2023 and 30 June 2022. Director's fees are paid gross of any taxes and expenses incurred by each Director are included within sundry expenses within note 4.

Richard Boléat acts as the Enforcer of the CCPEOL Purpose Trust. Refer to note 14 for further detail.

On 5 April 2023 and 6 April 2023, Richard Boléat purchased 3,846 and 12,744 ordinary Euro shares respectively, in the Company. On 12 May 2023 and 18 August 2023, Esther Gilbert purchased 2,857 and 2,023 ordinary Sterling shares respectively, in the Company. On 18 July 2023 Vanessa Neill purchased 10,805 ordinary Sterling shares in the company.

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

	30 June 2023 (Unaudited) €	31 December 2022 (Audited) €
Preferred Equity Certificates ("PECs") – Unquoted investment	**253,022,880**	**234,969,326**

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.

As at the period ended 30 June 2023, the Company held 103,563,749.50 Euro PECs and 124,977,568.03 Sterling PECs (31 December 2022: 103,934,273.50 Euro PECs and 127,666,119.03 Sterling PECs). Refer below for reconciliation of PECs from 1 January 2022:

	Euro PECs	Sterling PECs
As at 1 January 2022	**118,672,886.93**	**142,063,595.26**
Subscriptions	-	-
Monthly share conversions	(5,210,131.43)	4,137,739.77
Tenders	(9,528,482,00)	(18,535,216.00)
As at 31 December 2022	**103,934,273.50**	**127,666,119.03**
Subscriptions	-	-
Monthly share conversions	-	-
Tenders	(370,524.00)	(2,688,551.00)
As at 30 June 2023	**103,563,749.50**	**124,977,568.03**

Fair value hierarchy

IFRS 13 'Fair Value Measurement' ("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.

As at 30 June 2023	**Level 1 (Unaudited) €**	**Level 2 (Unaudited) €**	**Level 3 (Unaudited) €**	**Total (Unaudited) €**
Financial assets				
Financial assets held at fair value through profit or loss	-	-	253,022,880	253,022,880
Financial liabilities				
Ordinary shares[1]	230,784,497	-	-	230,784,497

NOTES TO THE CONDENSED FINANCIAL STATEMENTS (CONTINUED)

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

Fair value hierarchy (continued)

As at 31 December 2022	**Level 1 (Audited)**	**Level 2 (Audited)**	**Level 3 (Audited)**	**Total (Audited)**
Financial assets	**€**	**€**	**€**	**€**
Financial assets held at fair value through profit or loss	-	-	234,969,326	234,969,326
Financial liabilities				
Ordinary shares[1]	220,750,561	-	-	220,750,561

[1] As disclosed in note 2, the Company classifies its ordinary shares as financial liabilities held at amortised cost. Please note for disclosure purposes only, ordinary shares have been disclosed at fair value using the quoted price in accordance with IFRS 13.

The fair value of investments is assessed on an ongoing basis by the Board.

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.

Level 3 reconciliation – Compartment A PECs
The following table shows a reconciliation of all movements in the fair value of financial assets held at fair value through profit or loss categorised within Level 3 between the beginning and the end of the reporting period.

	30 June 2023 (Unaudited) €
Balance as at 1 January 2023	**234,969,326**
Purchases	-
Subscriptions arising from share conversion	-
Redemption proceeds arising from share conversion	-
Redemption proceeds arising from tenders	(3,388,792)
Realised loss on financial assets held at fair value through profit or loss	(241,706)
Unrealised gain on financial assets held at fair value through profit or loss	17,492,300
Foreign exchange gain on financial assets held at fair value through profit or loss	4,191,752
Balance as at 30 June 2023	**253,022,880**
Net gain on financial assets held at fair value through profit or loss for the six month period ended 30 June 2023	**17,250,594**

During the six months ended 30 June 2023, there were no reclassifications between levels of the fair value hierarchy.

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

Fair value hierarchy (continued)

	31 December 2022 (Audited) €
Balance as at 1 January 2022	**309,706,971**
Purchases	-
Subscriptions arising from share conversion	5,991,716
Redemption proceeds arising from share conversion	(5,955,535)
Redemption proceeds arising from tenders	(32,741,193)
Realised loss on financial assets held at fair value through profit or loss	(311,842)
Unrealised gain on financial assets held at fair value through profit or loss	(33,223,341)
Foreign exchange gain on financial assets held at fair value through profit or loss	(8,497,450)
Balance as at 31 December 2022	**234,969,326**
Net gain on financial assets held at fair value through profit or loss for the year ended 31 December 2022	**33,535,183**

During the year ended 31 December 2022, there were no reclassifications between levels of the fair value hierarchy.

Quantitative information of significant unobservable inputs – Level 3 – PECs

Description	30 June 2023 (Unaudited) €	Valuation technique	Unobservable input	Input used
PECs	253,022,880	Adjusted Net Asset Value	Discount for lack of liquidity	0%

Description	31 December 2022 (Audited) €	Valuation technique	Unobservable input	Input used
PECs	234,969,326	Adjusted net asset value	Discount for lack of liquidity	0%

The Board believes that it is appropriate to measure the PECs at the NAV of the investments held at the Investment Vehicle, adjusted for discount for lack of liquidity if necessary, as the underlying investments held at the Investment Vehicle are held at fair value. The Board has concluded that no adjustment was necessary in the current period (31 December 2022: none), given that the PECs have not been redeemed at a price below the NAV during current and prior periods.

The net asset value of the Investment Vehicle attributable to each PEC unit is €1.1071 (31 December 2022: €1.0131).

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 as at 30 June 2023 and comparative are as shown below:

As at 30 June 2023 (Unaudited)

Description	Input	Sensitivity used	Effect on fair value €
PECs	Discount for lack of liquidity	3%	(7,590,686)

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

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

As at 31 December 2023 (Audited)

Description	Input	Sensitivity used	Effect on fair value €
PECs	Discount for lack of liquidity	3%	(7,049,080)

The sensitivity applied in the analysis above reflects the possible impact of the worst case scenario in the 0-3% (2022: 0-3%) range that is applicable to the discount for lack of liquidity. This level of change is considered to be 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 of the 2022 Annual Financial Report for valuation methodology of PECs.

8. Financial assets and liabilities at fair value through profit or loss – (for the Investment Vehicle)

The information in this note, as provided by the Investment Vehicle Manager, relates to the investment holding of the Company at the Investment Vehicle level. This note also provides the categorising of 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. These disclosures have been included to provide an insight to shareholders of the asset class mix held by the Investment Vehicle portfolio.

As at 30 June 2023, the Company held a 51.17% (31 December 2022: 52.04%) interest in the net assets of the Investment Vehicle. This disclosure has not been apportioned according to the Company's pro rata share of net assets, as the Board believes doing so would be misleading and would not be an accurate representation of the Company's investment in the Investment Vehicle. Refer to note 7 of the 2022 Annual Financial Report for detail on the Investment Vehicle portfolio and valuation process for level 3 investments.

Financial assets and liabilities at fair value through profit or loss

	30 June 2023 (Unaudited)			
	Level 1 €'000	***Level 2 €'000***	***Level 3 €'000***	***Total €'000***
Financial assets				
Equity securities				
Equities and warrants	*-*	*234*	*16,869*	***17,103***
Debt securities				
*Corporate bonds and other debt securities**	*136,220*	*294,918*	*153,809*	***584,947***
CLOs	*-*	*-*	*51,666*	***51,666***
Derivative financial instruments	*-*	*-*	*-*	***-***
Forward currency contracts	*-*	*5,596*	*-*	***5,596***
Total	***136,220***	***300,748***	***222,344***	***659,312***

** EUR 10.5 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 2022: EUR 9.7 million).*

The carrying amounts of financial assets and financial liabilities at amortised cost and PECs continued to approximate their fair values as at 30 June 2023.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS (CONTINUED)

8. Financial assets and liabilities at fair value through profit or loss – (for the Investment Vehicle) (continued)

Financial assets and liabilities at fair value through profit or loss (continued)

	31 December 2022 (Audited)			
	Level 1 €'000	***Level 2 €'000***	***Level 3 €'000***	***Total €'000***
Financial assets				
Equity securities				
Equities and warrants	-	-	18,641	***18,641***
Debt securities				
Corporate bonds and other debt securities	90,208	301,035	144,364	***535,607***
CLOs including Asset Backed Securities ("ABSs")	-	-	51,617	***51,617***
Derivative financial instruments				
Forward currency contracts	-	13,555	-	***13,555***
Total	***90,208***	***314,590***	***214,622***	***619,420***

The carrying amounts of financial assets and financial liabilities at amortised cost and PECs continued to approximate their fair values as at 31 December 2022.

Transfers between Level 2 and Level 3

As of 30 June 2023, following further developments in the liquidity of certain debt securities, investments of the Investment Vehicle with a market value of EUR 38.2 million were reclassified from Level 2 to Level 3 (31 December 2022: EUR 44.6 million). There were also investments with a market value of EUR 39.1 million that were reclassified from Level 3 to Level 2 (31 December 2022: EUR 4.1 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 period/year.

	Equities and warrants €'000	***Corporate bonds and other debt securities €'000***	***CLOs €'000***	***Total €'000***
Balances as at 1 January 2022 (Audited)	***9,637***	***89,216***	***33,307***	***132,160***
Recategorisation	-	7,351	(7,351)	-
Total gains in Statement of Comprehensive Income during the year	9,006	(10,307)	(11,970)	(13,271)
Purchases / Subscriptions	10,187	39,891	39,343	89,421
Sales / Redemptions	(10,189)	(22,243)	(1,712)	(34,144)
Transfers into and out of Level 3	-	40,456	-	(40,456)
Balances as at 31 December 2022 (Audited)	***18,641***	***144,364***	***51,617***	***214,622***
Total (losses) / gains in Statement of Comprehensive Income during the period	(1,608)	3,629	4,626	6,647
Purchases / Subscriptions	12	17,769	5,053	22,834
Sales / Redemptions	-	(11,219)	(9,630)	(20,849)
Transfers into and out of Level 3	(176)	(734)	-	(910)
Balances as at 30 June 2023 (Unaudited)	***16,869***	***153,809***	***51,666***	***222,344***
Total unrealised (losses) / gains at 31 December 2022 included in Statement of Comprehensive Income for assets held at the end of the year	***9,048***	***(11,616)***	***(11,999)***	***(14,567)***
Total unrealised losses and gains at 30 June 2023 included in Statement of Comprehensive Income for assets held at the end of the period	***(1,608)***	***1,835***	***4,394***	***4,621***

8. Financial assets and liabilities at fair value through profit or loss – (for the Investment Vehicle) (continued)

Quantitative information of significant unobservable inputs – Level 3

Description	*30 June 2023 (Unaudited) €'000*	*Valuation technique*	*Unobservable input*	*Range (weighted average)*
Equities and warrants	*3,514*	*Broker quotes / other methods*	*Discount to broker quotes/valuation method*	*N/A*
Equities and warrants	*13,355*	*Asset value approach*	*Valuation method*	*N/A*
Corporate bonds and other debt securities	*17,255*	*Discounted Cash Flow*	*Yield*	*7.25% - 7.75%*
Corporate bonds and other debt securities	*136,554*	*Broker quotes / other methods*	*Cost of market transactions / Multiple of comparable companies / Management information*	*N/A*
CLOs	*51,666*	*Broker quotes / other methods*	*Specific valuations of the industry: expert valuation*	*N/A*

Description	*31 December 2022 (Audited) €'000*	*Valuation technique*	*Unobservable Input*	*Range (weighted average)*
Equities and warrants	*2,952*	*Broker quotes / other methods*	*Discount to broker quotes / valuation method*	*N/A*
Equities and warrants	*15,689*	*Asset value approach*	*Valuation method*	*N/A*
Corporate bonds and other debt securities	*16,596*	*Discounted Cash Flow*	*Yield*	*8.15% - 12.3%*
Corporate bonds and other debt securities	*127,768*	*Broker quotes / other methods*	*Cost of market transactions / Multiple of listed companies / Management information*	*N/A*
CLOs	*51,617*	*Broker quotes / other methods*	*Specific valuations of the industry: expert valuation*	*N/A*

The Board of the Investment Vehicle have valued the CLO positions at bid-price as at 30 June 2023 and 31 December 2022, as they believe this is the most appropriate value for these positions. The Board of the Investment Vehicle 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 categorisations 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.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS (CONTINUED)

8. Financial assets and liabilities at fair value through profit or loss – (for the Investment Vehicle) (continued)

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 30 June 2023 are as shown below:

Description	*Input*	*Sensitivity used*	*Effect on fair value in €'000 (Unaudited)*
Equities and warrants	*Discount to broker quotes / valuation method*	*20%*	*1,257 / (1,257)*
Equities and warrants	*Valuation method*	*20%*	*2,775 / (2,899)*
Corporate bonds and other debt securities	*Yield*	*2.5%*	*(358) / 387*
Corporate bonds and other debt securities	*Cost of market transactions / Multiple of listed companies / Management information*	*10%*	*13,655 / (13,655)*
CLOs	*Specific valuations of the industry: expert valuation*	*20%*	*10,333 / (10,333)*

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 2022 are as shown below:

Description	*Input*	*Sensitivity used*	*Effect on fair value in EUR '000 (Audited)*
Equities and warrants	*Discount to broker quotes / valuation method*	*20%*	*1,144 / (1,147)*
Equities and warrants	*Valuation method*	*20%*	*811 / (816)*
Corporate bonds and other debt securities	*Yield*	*2.5%*	*(575) / 616*
Corporate bonds and other debt securities	*Cost of market transactions / Multiple of listed companies / Management information*	*10%*	*12,777 / (12,777)*
CLOs	*Specific valuations of the industry: expert valuation*	*20%*	*10,323 / (10,323)*

The above categorizations, unobservable inputs and use of sensitivities may vary period-on-period 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.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS (CONTINUED)

8. Financial assets and liabilities at fair value through profit or loss – (for the Investment Vehicle) (continued)

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

	Effective interest rate (EIR, %)	*Maturity*	*30 June 2023*	*31 December 2022*
			€'000	*€'000*
Non-current interest-bearing loans and borrowings				
Loan - Bank (principal EUR 157.5 million)	*4.46%*	*28-July-25*	*157,464*	*157,464*
Interest on loan - Bank			*1,303*	*763*
Total loans and borrowings at period/year end			***158,767***	***158,091***

On 28 July 2022, the existing facility was fully paid and closed out and a new credit facility agreement was entered into by the Investment Vehicle with a different finance provider. The new loan facility has a maturity date of 28 July 2025 and a rate of interest of (a) Margin of 0.95%; and (b) Euribor floor 0%.

The financing bank has collateral to the loans held by the Investment Vehicle, 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).

9. Payables

	30 June 2023 (Unaudited)	**31 December 2022 (Audited)**
	€	**€**
Advisor fees	8,070	148,314
Auditor's fees	50,092	49,089
Administration fees	22,525	21,833
Other payables	115,285	158,089
Total payables	**195,972**	**377,325**

10. Contingent liabilities

As at 30 June 2023, the Company had no contingent liabilities or commitments (31 December 2022: none).

11. Stated capital

	Number of shares 30 June 2023 (Unaudited)	**Stated capital 30 June 2023 (Unaudited)**	**Number of shares 30 June 2023 (Unaudited)**	**Stated capital 30 June 2023 (Unaudited)**
	€	**€**	**€**	**€**
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 for the earnings per share calculation.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS (CONTINUED)

12. Ordinary shares

	Number of shares 30 June 2023 (Unaudited)	Stated capital 30 June 2023 (Unaudited) €	Number of shares 30 June 2022 (Unaudited)	Stated capital 30 June 2022 (Unaudited) €
Euro shares	104,698,336	106,417,232	107,734,658	109,157,320
Sterling shares	126,837,208	162,721,501	133,567,988	170,810,370
Total	**231,535,544[1]**	**269,138,733[2]**	**241,302,646[1]**	**279,967,690[2]**

[1] Excludes 45,145,789 (30 June 2022: 42,109,467) Euro shares and 239,187,994 (30 June 2022: 232,457,214) Sterling shares held as treasury shares.
[2] Excludes €14,742,994 (30 June 2022: €30,380,520) relating to the decrease in net assets attributable to shareholders from operations since inception.

	Total[1] (Unaudited) €
Balance as at 1 January 2023	**268,316,800**
Issue of ordinary shares	-
Subscriptions arising from share conversion of ordinary shares	-
Redemption payments arising from share conversion of ordinary shares	-
Redemption payments arising from tenders of ordinary shares	(3,453,748)
Foreign currency exchange gain on ordinary shares	4,275,681
Balance as at 30 June 2023	**269,138,733**

[1] Excludes treasury shares

	Total[1] (Unaudited) €
Balance as at 1 January 2022	**310,121,014**
Issue of ordinary shares	-
Subscriptions arising from share conversion of ordinary shares	5,989,751
Redemption payments arising from share conversion of ordinary shares	(5,955,535)
Redemption payments arising from tenders of ordinary shares	(26,176,529)
Foreign currency exchange gain on ordinary shares	(4,011,011)
Balance as at 30 June 2022	**279,967,690**

[1] Excludes treasury shares.

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

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

As at 30 June 2023, the Company had 149,844,125 (inclusive of 45,145,789 treasury shares) (31 December 2022: 149,844,125 (inclusive of 44,767,789 treasury shares)) Euro shares and 366,025,202 Sterling shares in issue (inclusive of 239,187,994 treasury shares) (31 December 2022: 366,025,202 (inclusive of 236,506,595 treasury shares)).

Sale of treasury shares
No treasury share sales were undertaken during the period ended 30 June 2023 (30 June 2022: nil).

Share conversions
At the first Business Days 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.

12. Ordinary shares (continued)

Share conversions (continued)

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 period, the company received no requests for share conversions (30 June 2022: 5,580,392 Euro shares were converted into 4,352,393 Sterling shares and 250,000 Sterling shares were converted into 318,897 Euro shares).

This section should be read in conjunction with the Company's AGM circular dated 14 April 2023 and approved at the Company's AGM on 2 May 2023 (https://ig.cvc.com).

Treasury share convertor mechanism

At the 2016 Annual General Meeting the Company requested, and received, shareholder approval to create a mechanism whereby treasury shares held by the Company be converted from one currency denomination to another in accordance with the procedure set out in the Articles. As the conversion cannot take place while the treasury shares are held by the Company, it was proposed that a facility be created so that some or all of the treasury shares be sold to a related party, who would be willing to facilitate the conversion of the treasury shares from one currency denomination to another. The treasury share convertor mechanism was put in place to provide the Company with a means of converting one class into another to meet demand in the market from time to time.

Accordingly, on 11 September 2017, the Company established the Trust, 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, the Conversion Vehicle, who 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 was appointed as the Enforcer of the Trust.

The treasury share convertor mechanism was not utilised during the periods ended 30 June 2023 or 30 June 2022.

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.

For more details on the tender mechanism, refer to the Company's AGM circular dated 14 April 2023 and approved at the Company's AGM on 2 May 2023 (https://ig.cvc.com).

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 8.2 of the 2022 Annual Financial Report.

12. Ordinary shares (continued)
Tender mechanism (continued)
During the period 378,000 (30 June 2022: 7,020,42) Euro shares and 2,681,399 (30 June 2022: 14,408,579) Sterling shares were redeemed under the tender mechanism and subsequently held by the Company in the form of treasury shares. Refer to page 15 for details. Treasury shares do not carry any right to attend or vote at any general meeting of the Company. In addition, the tender mechanism and periodic share conversions are not available in respect of Treasury shares.

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 for detail on critical accounting judgements regarding the classification of ordinary shares as a financial liability.

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.

Refer below for amounts recognised as dividend distributions to ordinary shareholders in the period ended 30 June 2023 and year ended 31 December 2022.

	Ex-dividend date	**Payment date**	**£ equivalent**	**€**
Euro - €0.01750 per share[1]	09/02/2023	03/03/2023		1,838,836
Sterling - £0.0250 per share[1]	09/02/2023	03/03/2023	3,237,965	3,696,230
Euro - €0.01750 per share[1]	11/05/2023	02/06/2023		1,832,221
Sterling - £0.01850 per share[1]	11/05/2023	02/06/2023	2,378,198	2,714,781
				10,082,068

[1] Recognised in the period ended 30 June 2023

Euro - €0.01250 per share[2]	03/02/2022	25/02/2022		1,365,602
Sterling - £0.01250 per share[2]	03/02/2022	25/02/2022	1,706,768	2,002,342
Euro - €0.01250 per share[2]	26/05/2022	17/06/2022		1,342,697
Sterling - £0.01250 per share[2]	26/05/2022	17/06/2022	1,672,725	1,962,403
Euro - €0.01250 per share[2]	04/08/2022	26/08/2022		1,346,683
Sterling - £0.01250 per share[2]	04/08/2022	26/08/2022	1,669,600	1,958,737
Euro - €0.01500 per share[2]	03/11/2022	25/11/2022		1,576,145
Sterling - £0.01500 per share[2]	03/11/2022	25/11/2022	1,942,779	2,279,224
				13,833,833

[2] Recognised in the year ended 31 December 2022

Refer to note 15 for further information subsequent to the reporting period.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS (CONTINUED)

12. Ordinary shares (continued)

Return per share

	30 June 2023 (Unaudited) £ equivalent	30 June 2023 (Unaudited) €	30 June 2022 (Unaudited) £ equivalent	30 June 2022 (Unaudited) €
Euro shares				
Increase/(decrease) in net assets attributable to shareholders from operations	-	6,668,967	-	(14,588,535)
Results per share	-	0.0636		(0.1354)
Sterling shares				
Increase (decrease) in net assets attributable to shareholders from operations	8,649,797	10,065,769	(15,569,140)	(18,086,670)
Results per share	0.0673	0.0783	(0.1166)	(0.1354)

Current period results per share for the Euro and GBP share classes have been calculated based on the actual income and expenses for each share class. This is a change from prior periods when results per share was calculated on a weighted average basis resulting in an equal results per share between both share classes. While the impact of the change is considered immaterial, the change is now necessary to reflect the interest rate differential between the Euro and GBP share classes. No restatement of prior period figures is thus considered necessary. However, had the June 2022 results been based on actual income and expenses for each share class, the results per share would have been €(0.1239) and €(0.1447) per Euro and GBP share respectively.

The weighted average number of ordinary shares held during the period ended 30 June 2023 was 233,405,177 (2022: 241,302,646), comprising 104,929,336 (2022: 107,734,658) Euro shares and 128,475,841 (2022: 133,567,988) Sterling shares.

There have been no new share issues of the Company's Euro or Sterling shares between 30 June 2023 and 27 September 2023.

13. Net asset value per share

	30 June 2023 (Unaudited) £ equivalent	30 June 2023 (Unaudited) €	31 December 2022 (Audited) £ equivalent	31 December 2022 (Audited) €
Euro shares				
NAV	-	99,854,497	-	93,535,520
NAV per ordinary share	-	0.9537	-	0.8902
Sterling shares				
NAV	132,801,616	154,541,241	126,873,439	143,303,549
NAV per ordinary share	1.0470	1.2184	0.9796	1.1064
Net assets attributable to shareholders	-	**254,395,738**	-	**236,839,070**

NAV per share has been calculated based on the share capital in issue as at period end, excluding shares held in treasury. The issued share capital as at 30 June 2023 was comprised of 104,698,336 Euro shares (31 December 2022: 105,076,336) and 126,837,208 Sterling shares (31 December 2022: 129,518,607).

NOTES TO THE CONDENSED FINANCIAL STATEMENTS (CONTINUED)

14. Related party disclosure

The Directors are entitled to remuneration for their services and all Directors hold Sterling shares in the Company. Refer to note 6 for further detail.

No transactions between the Company and the Trust and Conversion Vehicle occurred during the period ended 30 June 2023.

Richard Boléat acts as the Enforcer of the Trust, a business purpose trust established under Jersey law and settled by the Company. The role has arisen as a result of the implementation of the resolution passed at the Company's Annual General Meeting on 4 April 2016 which authorised the Company to make arrangements to enable the conversion of treasury shares held by the Company from time to time from one currency denomination to another. The position is unremunerated and represents an alignment of interests with those of the Company.

15. Events after the reporting period

Management has evaluated subsequent events for the Company through 27 September 2023, the date the condensed interim financial statements were available to be issued, and has concluded that the material events listed below do not require adjustment in the condensed interim financial statements.

Conversion of Shares

On 20 July 2023, the Company announced that it had received eligible conversion notices from shareholders in respect of 927,731 Euro Shares and 300,996 Sterling Shares by the relevant closing date. Accordingly, an application was made for the admission of 725,186 Sterling Shares and 385,062 Euro Shares to the Official List of the UK Listing Authority and the main market for listed securities of the London Stock Exchange.

Dividend declaration

On 27 July 2023, the Company declared a dividend of €0.01750 per ordinary Euro Share and £0.01875 per ordinary Sterling share payable on 1 September 2023 to shareholders on the register as at 10 August 2023.

Transactions by Directors

On 18 July 2023, Vanessa Neil, a Director of the Company purchased 10,805 Sterling shares in the Company.
On 18 August 2023, Esther Gilbert, a Director of the Company, purchased 2,023 Sterling shares in the Company.

Contractual tender

On 15 August 2023, the Company announced it has received applications from shareholders to tender 7,601,914 Euro Shares and 8,345,241 Sterling Shares in respect of the September 2023 Semi-Annual Tender.

Appointment and Retirement of Directors

On 14 September 2023 the Company announced the appointment of Philip Braun as an independent non-executive director of the Company with effect from 14 September 2023. Philip Braun will be taking over the role of Chair of the Audit Committee from Mark Tucker, who will be retiring from the Board, as planned, on 31 December 2023.

On 25 September 2023, the Company announced the appointment of Robert Kirkby as an independent non-executive director of the Company with effect from 22 September 2023. Robert Kirkby will be taking over the role of Chair of the Board from Richard Boléat, who will be retiring from the Board, as planned, at the next AGM in 2024.

16. Controlling party

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

SUPPLEMENTAL FINANCIAL INFORMATION

The below information details the information presented in graphs on pages 6.

Dividend history

Year ended	**Total dividend paid per Euro share**	**Total dividend paid per Sterling share**
2014	€0.03500	£0.03500
2015	€0.05000	£0.05000
2016	€0.06250	£0.06250
2017	€0.05250	£0.05250
2018	€0.05500	£0.05500
2019	€0.05500	£0.05500
2020	€0.04875	£0.04875
2021	€0.04750	£0.04750
2022	€0.05250	£0.05250
2023*	€0.03500	£0.04375

* Refers to the dividends declared and paid during the six months ended 30 June 2023.

Alternative Performance Measures ("APMs")

In accordance with ESMA Guidelines on APMs, the Board has considered what APMs are included in the Half Yearly Financial Report 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:

NAV total return
The NAV total return measures how the NAV per Euro share and Sterling 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 Euro and Sterling shares or the beginning of the period, to the latest reporting date, being 30 June 2023 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.

Total return

	3 Months	**6 Months**	**12 Months**	**Since inception**
Euro NAV total return	4.93%	11.21%	12.98%	55.98%
Sterling NAV total return	5.04%	11.53%	14.46%	69.39%

The Company's Euro share and Sterling 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 for 31 June 2023 and 31 December 2022 are presented overleaf.

Alternative Performance Measures (“APMs”) (continued)

Total return (continued)

2023 **Euro share**	**30 June 2023 dividend per share**	
NAV per share as at 31 December 2022		€0.8902
NAV per share as at 30 June 2023		€ 0.9537
Capital return		7.13%
Income return	€0.0350	5.54%
Total return		**12.98%**
Sterling share		
NAV per share as at 31 December 2022		£0.9796
NAV per share as at 30 June 2023		£1.0470
Capital return		6.88%
Income return	£0.04375	7.58%
Total return		**14.46%**

2022 **Euro share**	**2022 Annual dividend per share**	
NAV per share as at 31 December 2021		€1.0266
NAV per share as at 31 December 2022		€0.8902
Capital return		(13.29)%
Income return	5.250c	4.97%
Total return		**(8.32)%**
Sterling share		
NAV per share as at 31 December 2021		£1.1058
NAV per share as at 31 December 2022		£0.9796
Capital return		(11.41)%
Income return	5.250p	4.66%
Total return		**(6.75)%**

NAV to market price discount

The NAV per share is the value of the Company’s assets, less any liabilities it has, divided by the total number of Euro and Sterling 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 NAV to market price premium or discount 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.

At 30 June 2023, the Company's Euro shares and Sterling shares traded at €0.8650 (31 December 2022: €0.8200) and £0.9500 (31 December 2022: £0.9200) respectively. The Euro shares traded at a discount of 9.30% (31 December 2022: 7.88% discount) to the NAV per Euro share of €0.9537 (31 December 2022: €0.8902) and the Sterling shares traded at a discount of 9.27% (31 December 2022: 6.08% discount) to the NAV per sterling Share of £1.0470 (31 December 2022: £0.9796).

SUPPLEMENTAL FINANCIAL INFORMATION (CONTINUED)

Alternative performance measures disclosure (continued)

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

	30 June 2023	31 December 2022
Euro shares		
Annual dividend per Euro share[1]	0.06250	0.05250
Share price (bid price)	0.86500	0.82000
Dividend yield	**7.23%**	**6.40%**
Sterling shares		
Annual dividend per Sterling share[1]	0.07125	0.05250
Share price (bid price)	0.95000	0.92000
Dividend yield	**7.50%**	**5.71%**

Dividend Cover ratio
The dividend cover ratio is calculated as the coupon income received by the Investment Vehicle for the Series 4 and 5 of Compartment A per share divided by the dividend per Euro and Sterling share expressed as a ratio.

	30 June 2023	31 December 2022
Euro shares		
Coupon income per share[2]	€0.08700	€0.07390
Annual dividend per share[1]	€0.06250	€0.05250
Dividend cover ratio (Coupon income)	**1.39**	**1.41**
Sterling shares		
Coupon income per share[2]	€0.1025	£0.07723
Annual dividend per share[1]	€0.07125	£0.05250
Dividend cover ratio (Coupon income)	**1.44**	**1.47**

[1]Annual dividend yield per Euro share and Sterling share as at 30 June 2023 and 31 December 2022 is based on the four quarterly dividends announced and paid by the Company during the 12 months prior to the period end as applicable.
[2] Coupon income per share is calculated as the income received by the Investment Vehicle for the Series 4 and 5 of Compartment A respectively, from which the PEC income and ultimately the dividend was paid, divided by the weighted average number of Euro and Sterling shares respectively, during the period in which such coupon income was earned. The 31 December 2022 figures have hence been restated to match the coupon income period to the dividend period, as the calculation was previously based on the actual income earned during the year.

COMPANY INFORMATION

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Vanessa Neill
Esther Gilbert
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BNP Paribas S.A. Jersey Branch is regulated by the Jersey Financial Services Commission.

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For Investors in Switzerland:
The Fund may only be offered in Switzerland to qualified investors within the meaning of Article 10 CISA.

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., Klausstrasse 33, CH-8008 Zurich, Switzerland.

Swiss Paying Agent: Helvetische Bank AG, Seefeldstrasse 215, CH-8008 Zurich, Switzerland.
The country of domicile of the Fund is Jersey.