

Summary

CVC Income & Growth Limited (the “Company” or “CVCIG”) is a Jersey closed-ended investment company limited by shares.

The Company’s shares are traded on the Main Market of the London Stock Exchange (LSE).

The Company’s investment policy is to invest predominantly in companies domiciled, or with material operations, in Western Europe across various industries. The Company’s investments are focused on Senior Secured Obligations of such companies, but investments are also made across the capital structure of such borrowers.

The Company invests through Compartment A of CVC European Credit Opportunities S.à r.l. (the “Investment Vehicle”), a European credit opportunities investment vehicle managed by CVC Credit Partners Investment Management Limited.

Investment Objectives

- CVCIG is focused on capital preservation, and it seeks to generate high cash income via a stable and attractive dividend, as well as offering the potential for capital appreciation.
- It aims to provide shareholders with security, low volatility, liquidity, and low correlation with equities by investing in European sub-investment grade credit.

Share Price & NAV

at 31 October 2024

	GBP	EUR
Share Price ¹	1.1900	1.0500
NAV ²	1.1905	1.0863
Total Net Assets ³	142,267,968	91,655,308
Market Capitalisation	144,374,695	88,589,660
Premium/Discount	-0.04	-3.34

Company Information

Vehicle Type	Closed-ended investment company
Domicile	Jersey
Inception Date	25 June 2013
Market	London Stock Exchange
LSE Identifier	GBP CVCG EUR CVCE
ISIN Code	GBP JE00B9MRHZ51 EUR JE00B9G79F59
Website	ig.cvc.com
2023 Ongoing Charges Figure	GBP 1.77% EUR 1.82%

Company NAV Total Return Cumulative Performance⁴

(since inception)



	1M	3M	YTD	1YR	3YRS	5YRS	ITD
£ Total Return	1.67%	3.81%	14.98%	18.60%	32.10%	54.81%	114.43%
€ Total Return	1.61%	3.54%	14.14%	17.54%	27.61%	46.82%	94.82%

Company Historical NAV Total Return Performance⁴

	2017	2018	2019	2020	2021	2022	2023
£ NAV	9.69%	1.00%	3.07%	2.80%	12.17%	-6.75%	22.79%
€ NAV	8.84%	0.07%	1.56%	1.71%	11.41%	-8.31%	21.69%

Investment Vehicle Key Portfolio Statistics

LTM Dividend Yield ⁵	GBP 8.69% EUR 7.68%
Dividend Frequency	Paid Quarterly
Floating Rate Assets	86.0%
Fixed Rate Assets	13.4%
Other Assets	0.5%
Weighted Average Market Price ⁶	93.7
Yield to Maturity ⁷	GBP 11.6% EUR 13.0%
Current Yield ⁷	GBP 11.4% EUR 12.8%

Note: All metrics exclude cash unless otherwise stated

Contact Us

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Market & Portfolio Commentary

Portfolio Management



Pieter Staelens

**Managing Director
Portfolio Manager**
22 years' experience

Pieter joined CVC Credit in 2018. Pieter joined from Janus Henderson Investors in London where he was involved in various High Yield strategies and a credit long/short strategy.



Mitchell Glynn

**Managing Director
Assistant Portfolio Manager**
16 years' experience

Mitchell joined CVC in 2013. Mitchell joined from Neuberger Berman, where he worked as an Associate from 2008 in the Non-Investment Grade team responsible for evaluating investments across a wide range of industries.

October was a softer month driven by growing fears around fiscal policy in several countries. Ahead of the US elections, the market is starting to price in more expansive fiscal policy. With the US economy holding up well and core CPI at its strongest monthly pace in six months, the market is re-thinking the path for interest rates. In the UK, gilts underperformed on higher expected government borrowing. We also saw some escalation of the ongoing tensions in the Middle East, but so far not enough to have a major impact on financial markets. Finally, earnings season is off to a mixed start with some of the large tech companies underwhelming investors, and companies continuing to point out softness in China.

European Sub Investment Grade Highlights^{a,b}

New issue markets showed no sign of slowing in October, clearing the decks ahead of the US presidential election early November. New loan issuances totaled €11.2bn, roughly in line with September 2024 level and above October 2023 level of €7.8bn. HY total issuance volume was strong in October at €17.4bn, significantly above September 2024 and October 2023 levels of €6.3bn and €0.6bn, respectively. Demand remains strong and the slight pick-up in new money supply was not enough to halt the flow of repricings. The average spread for Term Loan Bs stood at +406bps and yield to maturity at 7.8%. We are starting to see the first green shoots in terms of new money issuance with 40% of new issuances linked to M&A in the third quarter of 2024. We have been told that this trend will continue to pick up through year-end and early next year. This should lead to a healthy supply of new issuance and continued growth of our market, and hence more investment opportunities.

The Credit Suisse Western European Leveraged Loan Index return, hedged to Euro, was +0.78% in October 2024 (YTD +7%), a sequential increase m-o-m reflecting strong demand dynamics. Defensives were +0.83% (YTD +6.44%) and cyclicals +0.72% (+6.83%) in October. BBs returned +0.54% (YTD +6.12%), while single Bs return was +0.7% (+6.91%) and CCCs 3.83% (+18.02%). As at the end of October, the 3-year discount margin on the index was 469bps. The Credit Suisse Western European High Yield Index return, hedged to Euro, was +0.54% in October 2024 (YTD +6.7%).

Portfolio Commentary

As per the market section, there was a lot of primary activity in the market, and we initiated new positions in an Italian food manufacturer, an industrials company, an education business and a utility services business. We also exited some lower conviction positions at or near par given the uncertain outlook for some of these businesses. Finally we changed our positioning in a plasma collection business where we moved from the unsecured to secured bonds.

Even though we saw some significant price moves in the credit opportunities part of the portfolio, actual deployment was limited. We took a new position in a specialty healthcare company. We estimate the LTV through the instrument at around 55% while the coupon is 10.75%, providing an attractive risk-adjusted return. We also re-adjusted our positioning within the structured finance part of the portfolio.

Across the entire portfolio, as of October month end, the weighted average market price was 93.7, trading at a yield to maturity ("YTM") of 11.6% (€ hedged) / 13.0% (£ hedged) and delivering a 11.4% (€ hedged) / 13.0% (£ hedged) running cash yield. This compares to a weighted average price of 90.4 and YTM of 14.1% (€ hedged) / 15.4% (£ hedged) as of December 2023. Floating rate instruments comprised 86.0% of the portfolio while 79.6% was invested in senior secured assets. The portfolio had a cash position of 0.3% (including leverage) at the end of the month.

Commentary Sources:

^a Credit Suisse Western European Leveraged Loan Index and Credit Suisse Western

European High Yield Index – October 2024.

^b Pitchbook LCD – November 2024

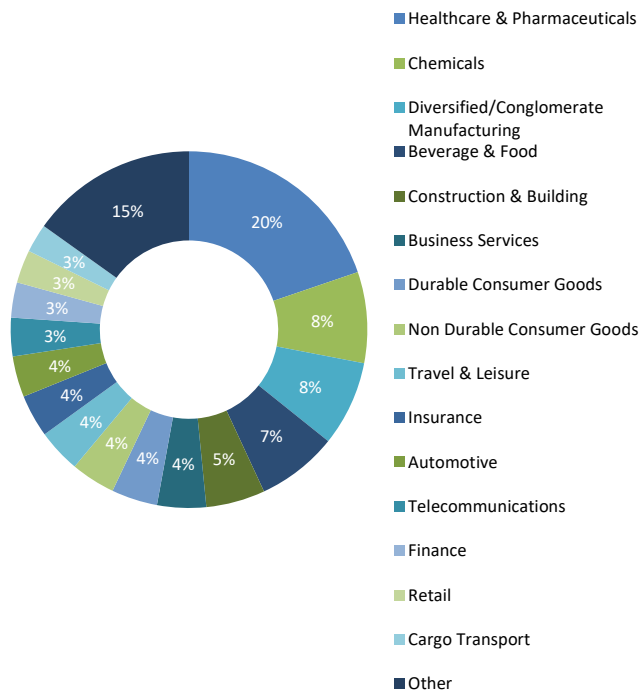
Investment Vehicle Portfolio Statistics

as at 31 October 2024⁶

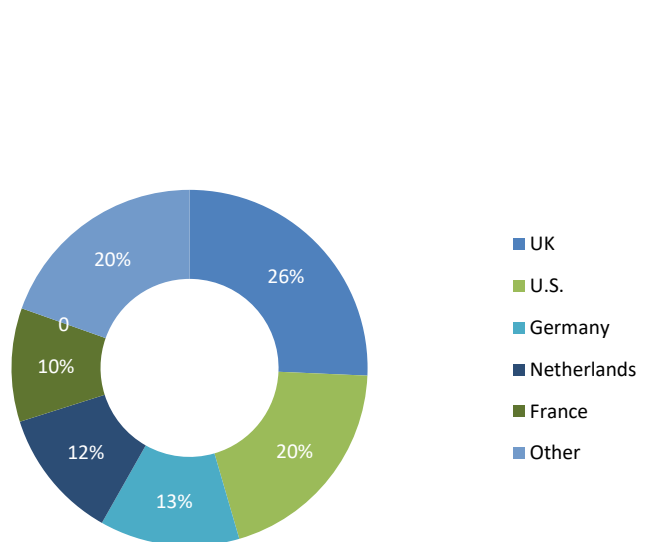
Top 10 Issuers

Issuer	% of Gross Assets	Industry	Country
Doncasters	5.25%	Diversified / Conglomerate Manufacturing	United Kingdom
Keter	3.49%	Durable Consumer Goods	Netherlands
Ekaterra	3.12%	Beverages & Food	Netherlands
Wella	2.50%	Non-Durable Consumer Goods	United Kingdom
Drive Devilbiss	2.29%	Healthcare	United States
D&G	2.07%	Insurance	United Kingdom
Colouroz	2.02%	Chemicals	Germany
Oxea	1.88%	Chemicals	Germany
Patagonia	1.87%	Construction & Building	United Kingdom
Homevi	1.64%	Healthcare	France

Industry Exposure — MV (%)



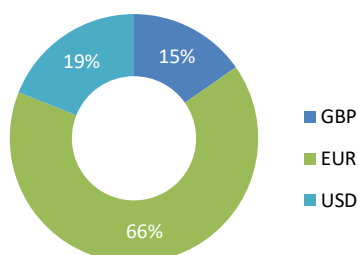
Geographic Exposure — MV (%)



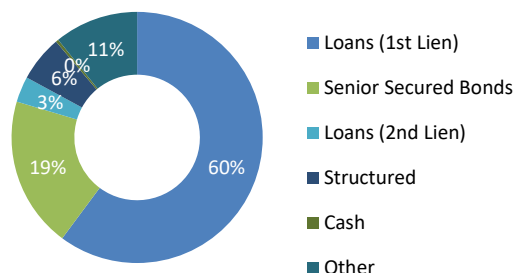
Investment Vehicle Portfolio Statistics

as at 31 October 2024⁶

Currency Exposure⁸ — MV (%)



Asset Exposure — MV (%)



Look Through Reporting⁹

as at 31 October 2024

Rating Exposure

Rating	Average Spread Duration ¹⁰	MV (€)	MV (%)
BBB	3.52	0.7m	0%
BB	5.90	25.2m	8%
B	4.12	216.8m	66%
CCC	3.18	69.9m	21%
NR	6.50	17.6m	5%

Rate Type Exposure

Type	Duration	MV (€)	MV (%)
Floating	0.27	284.2m	86%
Fixed	3.37	44.4m	13%
Warrants	0.00	1.8m	1%

Notes & Assumptions

- The sum of the market values may be larger than the NAV due to the effect of the leverage facility
- All duration and yield calculations are based on assets outstanding to maturity (no call or amortisation assumptions)
- Duration is calculated using the DURATION function in Excel, and includes approximations for interest rate duration for floating rate assets
- Rating is based on the average corporate rating from S&P and Moody's
- Certain assets such as CLO equity tranches are assumed to have zero spread and interest rate duration
- The duration for non-equity CLO tranches is based on a WAL of 5 years after the end of the reinvestment period

Note: Amounts may not add up to 100% due to rounding.

Past performance is not indicative of future results or a guarantee of future returns.

Footnotes

¹ Share price provided as at the closing month-end market mid-price

² Opening NAV was 0.997, after initial costs

³ Includes the impact of the utilisation of the Investment Vehicle's leverage facility and its currency hedging strategy in relation to the underlying portfolio

⁴ NAV Total Return includes dividends reinvested

⁵ LTM dividend yield is calculated by adding the LTM dividend payments and divided by the share price of the respective share class as at 31 July 2024

⁶ Average market price of the portfolio weighted against the size of each position

⁷ Current Yield including Investment Vehicle leverage

⁸ Currency is hedged for the respective share class.

⁹ Data excludes cash

¹⁰ Averages are weighted by market value

Disclaimers

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The Company is regulated by the Jersey Financial Services Commission.

The Credit Suisse Western European HY Index and The Credit Suisse European Leveraged Loan Index, are monthly return indices designed to be an objective proxy for the investable universe for the Western European High Yield and Leveraged Loan markets. These indices may not necessarily be indicative of the investment strategies for the funds advised by CVC Credit. Assets and securities contained within indices are different than the assets and securities contained in CVC Credit's investment vehicles and will therefore have different risk and reward profiles. The returns of the indices are provided solely as an illustration of the market and economic conditions generally prevailing during the periods shown. Indices are not investments, are not professionally managed and do not reflect deductions for fees or expenses.