

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 December 2024

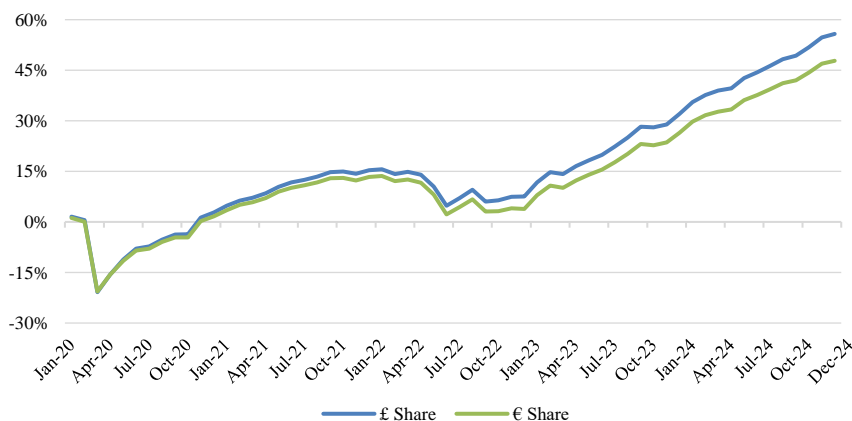
	GBP	EUR
Share Price ¹	1.2025	1.0600
NAV ²	1.2005	1.0939
Total Net Assets ³	145,587,581	92,296,085
Market Capitalisation	145,832,174	89,433,371
Premium/Discount	0.17	-3.10

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 0.56% EUR 0.56%

Company NAV Total Return Cumulative Performance⁴

(since January 2020 – rebased to 0)



	1M	3M	YTD	1YR	3YRS	5YRS	ITD
£ Total Return	0.70%	4.31%	17.97%	17.97%	35.08%	55.78%	120.01%
€ Total Return	0.57%	4.04%	16.88%	16.88%	30.40%	47.78%	99.49%

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 8.67% EUR 7.32%
Dividend Frequency	Paid Quarterly
Floating Rate Assets	84.8%
Fixed Rate Assets	14.6%
Other Assets	0.6%
Weighted Average Market Price ⁶	94.3
Yield to Maturity ⁷	GBP 11.1% EUR 12.7%
Current Yield ⁷	GBP 10.8% EUR 12.4%

Note: All metrics exclude cash unless otherwise stated

Asset Classification by Pricing Category

3 rd Party Pricing Service	97%
Broker Quotes	1%
Model Price	2%

Contact Us

Robert Kirkby, Chairman
robert.kirkby@ig.cvc.com

Cadarn Capital
info@cadarncapital.com

Market & Portfolio Commentary

Portfolio Management



Pieter Staelens

**Managing Director
Portfolio Manager**
23 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**
17 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.

The strong rally we saw in US equities for most of the year took a breather in December. A combination of profit taking, a hawkish Fed and uncertainty around the impact of a Trump presidency on the global economy. The ECB cut rates again in December but there was some disappointment from investors that the ECB didn't strike a more dovish tone, resulting in sovereign bonds selling off. In the UK, the BoE held rates unchanged as inflation remains stubbornly high. Finally, in France, the government of Michel Barnier fell after a no-confidence vote, resulting in a further underperformance of French risk assets.

European Sub Investment Grade Highlights^{a,b}

New issue markets slowed down in December ahead of the Christmas break, after hitting record highs in 2024 despite lacklustre M&A activity. New loan issuances totaled €0.3bn, down from November 2024 level of €12.6bn, in line with seasonality, and below December 2023 level of €2.1bn. Similarly HY issuances slowed down m-o-m, with total volume of €1.5bn in December 2024 down from €4.9bn in November 2024, and broadly in line December 2023 level of €1.7bn. Demand remained steady amidst low volume activity, resulting in strong finish for 2024. The average spread for Term Loan Bs stood at +415bps and yield to maturity at 7.79%. We have started to see the first green shoots in terms of new money issuance with growing M&A volumes and sponsors taking advantage of strong market conditions to refinance more expensive private debt facilities into loans in 2024. The deal pipeline continues to build-up and we have strong indications that this trend will continue to pick up through 2025. This should lead to a healthy supply of new issuance and continued growth of our market, and hence more investment opportunities.

The Credit Suisse Western European Leveraged Loan Index return, hedged to Euro, was +0.51% in December 2024 (YTD +8.53%). Defensives were +0.51% (YTD +7.97%) and cyclicals +0.52% (+9.13%) in December. BBs returned +0.52% (YTD +7.63%), while single Bs return was +0.60% (+8.52%) and CCCs returned +0.07% (YTD 20.19%). The 3-year discount margin on the index was 472bps. The Credit Suisse Western European High Yield Index return, hedged to Euro, was +0.62% in December 2024 (YTD +7.92%).

Portfolio Commentary

December was a seasonally more quiet month for the fund. We added a few position in the performing credit sleeve. The largest new position was a private placement of a specialty plasma therapeutics company. We also right-sized a position in a luxury watch company given soft underlying trends in the luxury market. We participated in the refinancing of the debt of a UK specialty warranties company.

On the credit opportunities side, we slightly increased our CLO exposure in the primary market, while we also took some profit on an Italian IT services business. These bonds had dropped to the low 90s over the summer over fears around free cash flow. We sold these bonds just below par as risk/reward is now skewed to the downside after two good quarters of performance by the company. Finally, we took a small position in a German pharma business. As a platform, we've been a lender to the business since 2018. While the company had softer than expected Q3 results, we expect management will be able to turn the business around.

Across the entire portfolio, as of December month end, the weighted average market price was 94.3, trading at a yield to maturity ("YTM") of 11.1% (€ hedged) / 12.7% (£ hedged) and delivering a 10.8% (€ hedged) / 12.4% (£ 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 84.8% of the portfolio while 76.9% was invested in senior secured assets. The portfolio had a cash position of 2.7% (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 – December 2024.

^b Pitchbook LCD – January 2025

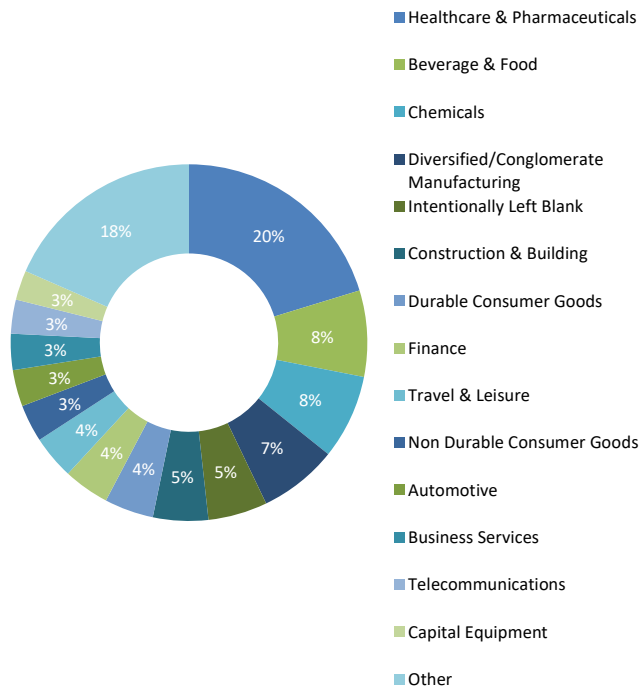
Investment Vehicle Portfolio Statistics

as at 31 December 2024⁶

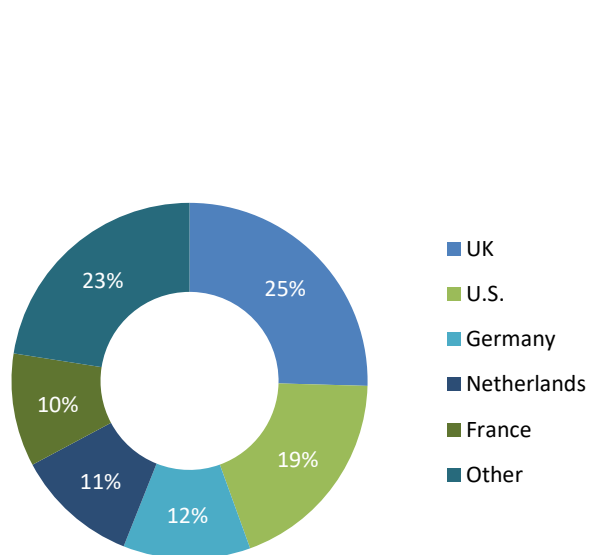
Top 10 Issuers

Issuer	% of Gross Assets	Industry	Country
Doncasters	5.31%	Diversified / Conglomerate Manufacturing	United Kingdom
Keter	3.60%	Durable Consumer Goods	Netherlands
Ekaterra	3.31%	Beverages & Food	Netherlands
Wella	2.44%	Non-Durable Consumer Goods	United Kingdom
Drive Devilbiss	2.31%	Healthcare	United States
Colouroz	1.92%	Chemicals	Germany
Patagonia	1.84%	Construction & Building	United Kingdom
Oxea	1.73%	Chemicals	Germany
Homevi	1.60%	Healthcare	France
Air Medical	1.41%	Healthcare	United States

Industry Exposure — MV (%)



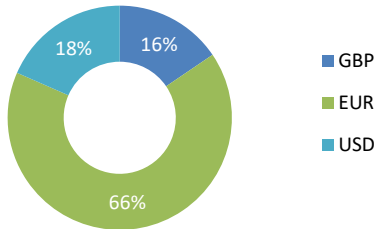
Geographic Exposure — MV (%)



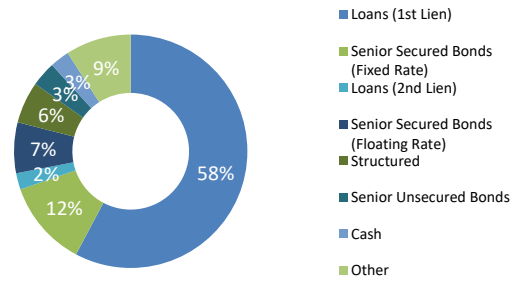
Investment Vehicle Portfolio Statistics

as at 31 December 2024⁶

Currency Exposure⁸ — MV (%)



Asset Exposure — MV (%)



Look Through Reporting⁹

as at 31 December 2024

Rating Exposure

Rating	Average Spread Duration ¹⁰	MV (€)	MV (%)
BBB	5.90	24.7m	7%
BB	4.03	234.0m	70%
B	2.81	57.8m	17%
CCC	5.88	17.1m	5%
NR	5.90	24.7m	7%

Rate Type Exposure

Type	Duration	MV (€)	MV (%)
Floating	0.17	283.1m	85%
Fixed	3.27	48.6m	15%
Warrants	0.00	1.9m	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 October 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

This Report is directed only at: (i) persons having professional experience in matters relating to investments who fall within the definition of "investment professionals" in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005; or (ii) high net worth bodies corporate, unincorporated associations and partnerships and trustees of high value trusts as described in Article 49(2) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 and persons who receive this document who do not fall within (i) or (ii) above should not rely on or act upon this document.

This Report is issued by the Company to and for the information of its existing shareholders and does not in any jurisdiction constitute investment advice or an invitation to invest in the shares or any other securities of the Company or any other entity (body corporate or otherwise). Any matters contained in this Report relating to CVC Credit Partners, the CVC Group, the Investment Vehicle or the markets in which the Investment Vehicle invests have been prepared by CVC Credit Partners. The Company has relied upon and assumed (without independent verification) the accuracy of such information. This Report is not an offering of, or a solicitation of an offer to buy, securities in any jurisdiction. This Report has not been approved by any supervisory authority and no regulatory approvals have been obtained. The information contained in this Report, including information from certain third parties, has not been independently verified and no representation or warranty, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or opinions expressed herein. The Company has, however, taken reasonable steps to ensure that this Report and the information contained herein is not misleading, false or deceptive.

In addition, persons into whose possession this Report has come are deemed to have ensured that their receipt of this Report is in compliance with the laws applicable to them. Nothing contained herein shall be deemed to be binding against, or to create any liability, obligations or commitment on the part of the Company, its directors and officers or CVC Credit Partners. Nothing contained herein is to be construed as investment, legal or tax advice and neither the Company, CVC Credit Partners nor any of their respective directors, officers, employees, partners, members, shareholders, advisers, agents or affiliates make any representation or warranty, express or implied as to the fairness, correctness, accuracy or completeness of this Report, and nothing contained herein shall be relied upon as a promise or representation whether as to past or future performance or otherwise. There is no certainty that the parameters and assumptions used can be duplicated with actual trades or investments. There can be no assurance that the strategy described herein will meet its objectives generally, or avoid losses.

The information and opinions contained in this Report, including any forward-looking statements, do not purport to be comprehensive, are provided as at the date of the document and are subject to change without notice. Neither the Company nor CVC Credit Partners, nor any other person is under any obligation to update or keep current the information contained herein. No part of this Report, nor the fact of its publication, should form the basis of, or be relied on in connection with, any contract or commitment or investment decision whatsoever. This Report contains certain "forward-looking statements" regarding the belief or current expectations of the Company, CVC Credit Partners and members of its senior management about the Company's financial condition, results of operations and business. Such forward-looking statements are not guarantees of future performance. Rather, they are based on current views and assumptions and involve known and unknown risks, uncertainties and other factors, many of which are outside the control of the Company and are difficult to predict, that may cause the actual results, performance, achievements or developments of the Company or the industry in which it operates to differ materially from any future results, performance, achievements or developments expressed or implied from the forward-looking statements.

This Report is not for release, publication or distribution, directly or indirectly, in or into Australia, Canada, South Africa or Japan or to US Persons as defined in Regulation S under the US Securities Act ("US Persons"). The information contained herein does not constitute or form part of any offer or solicitation to purchase or subscribe for securities in Australia, Canada, South Africa or Japan or any other jurisdiction where to do so might constitute a violation of the relevant laws or regulations of such jurisdiction.

The Company has not been and will not be registered under the US Investment Company Act of 1940, as amended (the "Investment Company Act") and, as such, holders of the Company's securities will not be entitled to the benefits of the Investment Company Act. The securities discussed herein have not been and will not be registered under the US Securities Act of 1933, as amended (the "US Securities Act"), or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be offered or sold in the United States or to, or for the account or benefit of, US persons absent registration or an exemption from registration under the US Securities Act in a manner that would not require the Company to register under the US Investment Company Act 1940. No public offering of securities will be made in the United States. No securities may be offered or sold, directly or indirectly, into the United States to US persons absent registration or an exemption from registration under the US Securities Act and in a manner that would not require the Company to register under the US Investment Company Act of 1940.

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.