

CC JAPAN INCOME & GROWTH TRUST PLC

HALF-YEARLY FINANCIAL REPORT

FOR THE SIX MONTHS ENDED 30 APRIL 2022



CONTENTS

| | |
|--|----|
| INVESTMENT OBJECTIVE, FINANCIAL INFORMATION AND PERFORMANCE SUMMARY | 2 |
| TOTAL NAV AND SHARE PRICE RETURN SINCE INCEPTION | 3 |
| DIVIDEND PERFORMANCE | 3 |
| CHAIRMAN'S STATEMENT | 4 |
| INVESTMENT MANAGER'S REPORT | 6 |
| TOP TEN SECTORS AND HOLDINGS | 8 |
| INTERIM MANAGEMENT REPORT | 10 |
| CONDENSED STATEMENT OF COMPREHENSIVE INCOME | 12 |
| CONDENSED STATEMENT OF FINANCIAL POSITION | 13 |
| CONDENSED STATEMENT OF CHANGES IN EQUITY | 14 |
| CONDENSED STATEMENT OF CASH FLOWS | 15 |
| NOTES TO THE INTERIM FINANCIAL STATEMENTS | 16 |
| GLOSSARY AND ALTERNATIVE PERFORMANCE MEASURES ("APM") | 23 |
| COMPANY INFORMATION | 26 |

INVESTMENT OBJECTIVE, FINANCIAL INFORMATION AND PERFORMANCE SUMMARY

INVESTMENT OBJECTIVE

The investment objective of the Company is to provide shareholders with dividend income combined with capital growth, mainly through investment in equities listed or quoted in Japan.

FINANCIAL INFORMATION

| | At 30 April 2022 | At 31 October 2021 |
|---|------------------------|--------------------------|
| Net assets (millions) | £217.0 | £222.9 |
| Net asset value ("NAV") per Ordinary Share ("Share") ¹ | 161.1p | 165.4p |
| Share price | 145.3p | 154.0p |
| Share price discount to NAV ² | 9.8% | 6.9% |
| Transferable Subscription Share price | 2.00p | 3.50p |
| Annualised Ongoing charges ² | 1.04% | 1.05% |
| Gearing (net) ² | 20.7% | 21.1% |

¹ Measured on a cum income basis.

² This is an Alternative Performance Measure ('APM'). Definitions of APMs used in this report, together with how these measures have been calculated are disclosed on pages 23 to 25 of this report.

PERFORMANCE SUMMARY

| | For the six months to 30 April 2022 % change | For the six months to 30 April 2021 % change |
|--|--|--|
| NAV ex-income total return per Share ^{1,2} | -2.1% | +17.0% |
| NAV cum-income total return per Share ^{1,2} | -0.7% | +15.5% |
| Share price total return ^{1,2,3} | -3.7% | +24.0% |
| Tokyo Stock Exchange Price Index ("Topix") total return ¹ | -7.8% | +8.8% |
| Revenue return per Share ¹ | 2.37p | 2.22p |
| First interim dividend per Share ¹ | 1.40p | 1.40p |

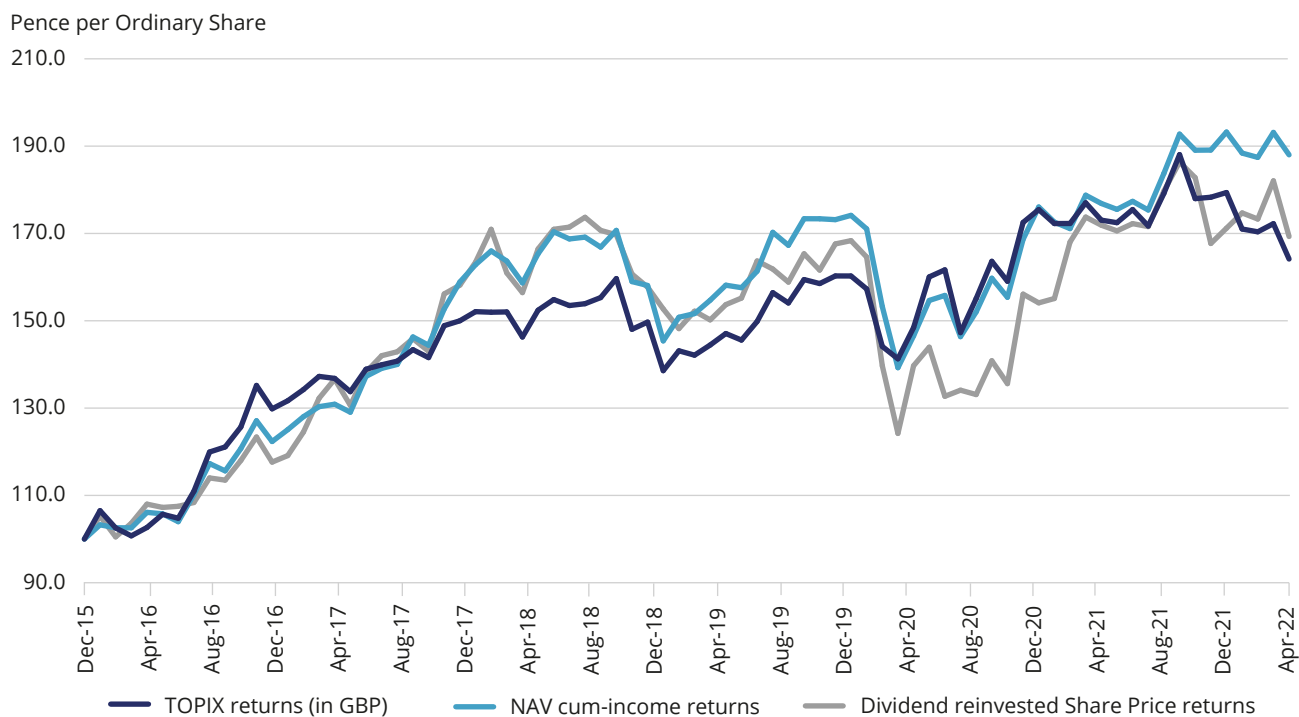
¹ Total returns are stated in GBP sterling, including dividend reinvested.

² These are APMs.

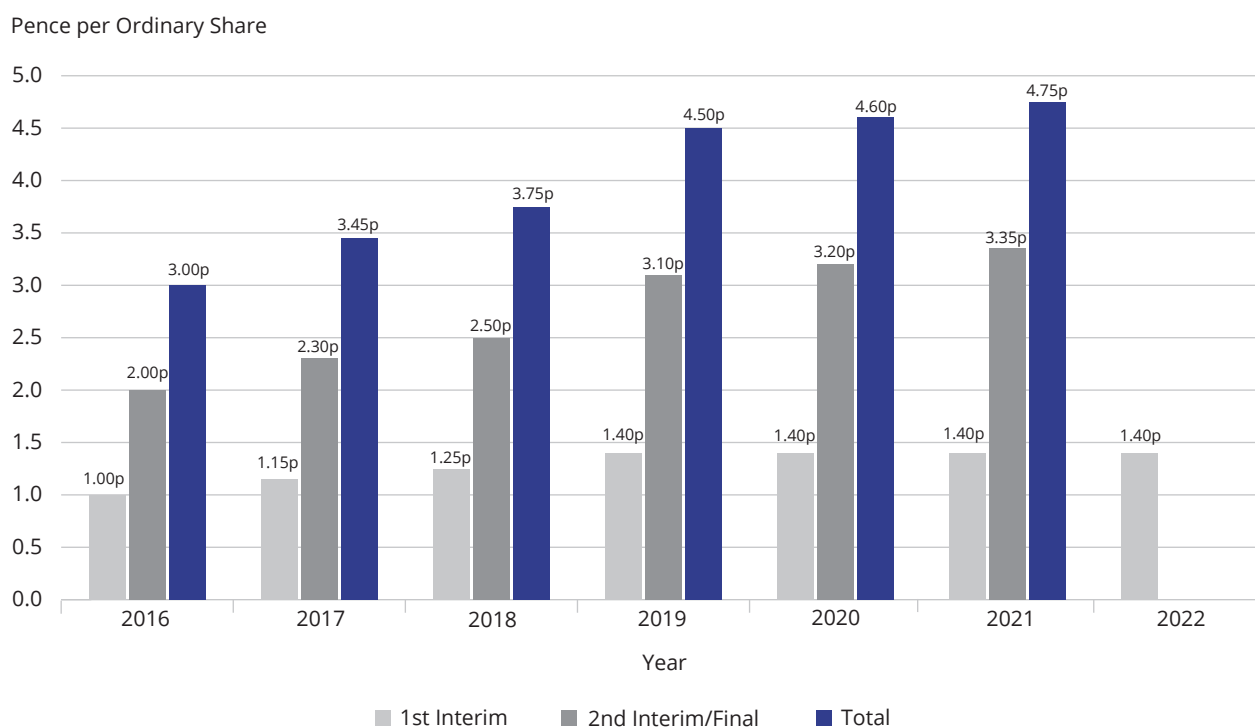
³ The return excludes the accretion effect of the Transferable Subscription Share with a closing price of 2.0p (equivalent to a 0.4p increment per Ordinary Share as a 1 for 5 bonus issue) as at 30 April 2022.

Source: Coupland Cardiff Asset Management LLP – The Company's Factsheet April 2022.

TOTAL NAV AND SHARE PRICE RETURN SINCE INCEPTION



DIVIDEND PERFORMANCE SINCE INCEPTION



CHAIRMAN'S STATEMENT

Performance

The first half of the financial year to 30 April 2022 represented a challenging period for equities globally and Japan was no exception. The TOPIX total return fell 7.8% over the period. The Company outperformed the reference benchmark with the Ordinary Share price falling by 3.7% as measured by total return, which includes the second interim dividend distribution of 3.35p per Ordinary Share paid to Shareholders during the period. The cum income Net Asset Value ("NAV") declined marginally, by 0.7%.

Over the 12 month period to 30 April 2022, the cum income NAV rose by 7.1% and the Ordinary Share price rose by 3.5%, while the TOPIX total return fell by 5.1%. Our investment objective is to provide Shareholders with dividend income combined with capital growth. Since inception in December 2015, the cum income NAV has risen by 88.4% while the Ordinary Share price, including dividends distributed, has risen by 69.3%. Dividends paid over the six-and-a-half-year period amount to 24.05p per Ordinary Share with the level of dividend paid rising by 58.3% over that time.

Our mandate is differentiated from our competitors by our income bias within the Japanese investment trust peer group. Shareholders enjoy a respectable yield, currently in excess of 3%, covered by revenue, while the performance of the Company over its life to date justifies the design of the mandate and investment objective. Income and capital returns have been enhanced through our use of structural gearing. Richard Aston's disciplined investment approach to stock selection and portfolio construction has rewarded Shareholders since inception. True, we had a very difficult year in 2020, when the domestic economy in Japan all but shut down in the wake of the COVID-19 pandemic. However, the durability of the investment approach can be seen by examining the overall returns to Shareholders over the Company's life, outperforming the TOPIX total return by 44.5% over the same period.

Global equities have had to combat the fallout from the Russian invasion of Ukraine, the economic dislocation of further lockdowns in China and the prospect of a trajectory of tightening monetary policy led by the US Federal Reserve to counter inflationary pressures. Japan has not been immune to these pressures. Another COVID-19 lockdown to tackle the Omicron variant during the first half of our financial year further delayed the reopening of the domestic economy. Given these conditions, discounts to NAV have tended to widen across the peer group with our discount closing at 9.8% as of 30 April 2022, compared to 6.9% as at the financial year ended 31 October 2021. The discount has averaged 7.6% over the six months to 30 April 2022.

Income & Interim Dividend

Net revenue increased by nearly 7% in the first half of the year, compared with the same period last year. This reflects a steadily improving dividend profile for many of the portfolio holdings. Conversely, a steep decline of the Yen against the US\$ impacts the ¥/£ cross rate and potentially reduces the Sterling value of revenue converted from Yen on receipt.

The Board has declared an unchanged first interim dividend of 1.40p per Ordinary Share which is payable on 5 August 2022 to those Shareholders recorded on the register as at 8 July 2022, with an ex-dividend date of 7 July 2022.

Transferable Subscription Shares

The Company issued Transferable Subscription Shares ("TSS") as a 1 for 5 free bonus to Ordinary Shareholders in February 2021 with a two-year life that expires on the last business day of February 2023. These can be exercised into Ordinary Shares on a 1:1 basis at a Subscription Price of £1.61 per Ordinary Share on a quarterly basis on the last day of August and November 2022, and in February 2023. The issue was designed as an opportunity for Shareholders to participate in any post COVID-19 normalisation of the Japanese economy. Unfortunately, subsequent world events have conspired against the scheme which could potentially raise £40 million for the Company. While the Ordinary Share price has briefly exceeded the Subscription Price level putting the TSS "in the money", the level has never been sustained to facilitate their exercise. However, the portfolio is well-positioned to benefit from cyclical recovery from any rally in Japanese equities which might create an opportunity to TSS holders to convert their entitlements.

Outlook

Concurrent geopolitical hurdles have seemed insurmountable at times and very frustrating for Richard Aston and the team at Coupland Cardiff. They remain confident in the investments in the portfolio which they believe offer the prospect of promising total returns from both capital and income potentially bolstered by the reopening of domestic Japanese economy in the wake of COVID-19. The Bank of Japan ("BOJ"), as distinct from other Central Banks continues to run loose monetary policy. If the long period of low inflation is finally coming to an end in Japan as energy costs and the BOJ's policies stoke price rises – the April 2022 CPI print was 2.5% YOY – and businesses are raising consumer prices (for example by Asahi Breweries and Lawson Foods) this, in turn, ushers in the prospect of wage rises and a change in household savers' behaviour.

Inflation could encourage some movement of Japan's huge pool of household savings to finally start coming back to their own domestic equity market. Since 1989, it has largely been like *Waiting for Godot*! A major attraction

for Japanese domestic depositors is that TOPIX index companies now yield 2.7%, higher than inflation and with an earnings yield of over 8% compared to zero from deposits. There is a significant amount of headroom for Japanese companies to raise dividends and share buybacks particularly given the profusion of excess cash on balance sheets. Making a recent speech in London, Prime Minister Kishida signalled that he intends to introduce *"a new form of capitalism"* including policy measures to encourage households to move bank deposits into investments. We shall see.

The confluence of recent geopolitical events not least China's net zero COVID-19 policy has created considerable supply chain disruption besides pricing and capacity issues. As the world is pressed to realign its supply chains, this presents a major opportunity for Japanese industry, which is well-placed to step into the breach equipped with cutting-edge technologies, production efficiencies, strong balance sheets and a competitive foreign exchange rate. Any uptick in international trade and sourcing to Japan to stimulate demand can filter through to the domestic economy. Equally, as Japan reopens its borders to travel, the weak currency should also encourage the return of tourists, a major driver of the economy pre COVID-19.

I reiterate that continuing corporate governance reforms and increased shareholder activism should see greater recognition of the inherent value in Japanese equities accompanied by increased distributions to Japanese company shareholders notwithstanding the uncertain global economic outlook.

Harry Wells
Chairman
27 June 2022

INVESTMENT MANAGER'S REPORT

Performance Review

The NAV of the Company declined 0.7% on a total return basis during the period between 1 November 2021 and 30 April 2022. This includes the second interim dividend payment of 3.35p, which represented an increase of 4.7% over the payment of the previous year. The dividend paid was fully covered by the income received from the underlying holdings in the portfolio and reflects the financial health and resilience of the individual companies. This has been achieved despite the sluggish economic performance of Japan which has been subject to a series of COVID-19 containment measures until April 2022 and is evidence, we believe, of the favourable trends that underpin this strategy.

The period under review has seen a dramatic reversal of the underlying characteristics of companies leading the performance of the Japanese equity market. Similar trends can be identified across equity markets worldwide and have been simplified to an outperformance of 'value' over 'growth'. The divergence between the two has become more pronounced following clear indications from the US Federal Reserve in November 2021 that it intends to take steps to end the easy monetary policy that has arguably bolstered valuations in certain sectors.

Portfolio attribution has been positive in this environment, and it is especially pleasing to see the strong share price performance of long-standing holdings in the financial sector (Mitsubishi UFJ Financial Group, Tokio Marine Holdings and Sumitomo Mitsui Financial Group), wholesale sector (Itochu Corp, Mitsubishi Corp) and telecommunications sector (Nippon Telegraph & Telephone). These holdings have made significant positive contributions to performance. Despite facing considerable operational challenges during the past two years, these companies have continued to improve their returns to shareholders with increases in annual dividends and share buyback programmes for which they are now being recognised.

The reintroduction of a quasi-state of emergency in December 2021 slowed progress for a number of domestically focussed businesses with the likes of Technopro, Open House and DIP Corporation giving up the capital gains made earlier in the year. More positively however, Nippon Parking Development, which operates theme park and ski resort businesses alongside its parking management business, performed well after demonstrating robust operating performance and highlighting the opportunities once activity normalises.

Portfolio Positioning

While macro-economic considerations help define our investment universe, our decision-making is very much on a bottom-up basis taking into account the fundamental business growth opportunities combined with the potential for these companies to generate an

attractive total return for their shareholders. We believe that consistent distribution via dividends and share buybacks are key components of this return and we have been yet again encouraged by the trends within Japan in this regard even during the tough challenges presented by the COVID-19 pandemic.

This underlying progress combined with the recent share price volatility within the market continues to create competitive opportunities for the capital within the Company. New positions have been established in a number of small companies such as Intage (marketing research), TRE Holdings (waste treatment and recycling) and SB Technology (IT services and cloud solutions) after identifying notable changes in their consideration of shareholders and attractive valuations. We expect these companies to benefit from a pick-up in domestic economic activity but importantly believe that they have significant long-term growth opportunities.

Toyota Motor and Hitachi are two large capitalisation companies that have been added to the portfolio. The former continues to establish itself as a leader in the auto industry and reap the rewards of years of investment in advanced technologies. Hitachi in many ways represents one of the best examples of the transformation of capital efficiency and corporate governance sought by former Prime Minister Abe's series of reforms. Having effectively restructured and refocused its sprawling and cumbersome business empire, the company revealed a new mid-term business plan giving significantly greater emphasis to capital allocation and shareholder return which we believe has created a substantially more attractive investment proposition.

The changing business environment has created new opportunities for some companies but different challenges for others. In this environment we exited holdings in Exeo (telecommunication infrastructure), Hikari Tsushin (small company services) and Japan Exchange Group (Tokyo and Osaka Stock Exchange). We also sold our entire position in West Holdings after a strong period of sustained performance.

Outlook

We believe that the underlying investment strategy has demonstrated a strong recovery from the unexpected consequences of the COVID-19 pandemic and the detrimental impact this had on some of the portfolio holdings at the time. We have resolutely continued to focus on high quality companies with attractive long-term business growth prospects and we are encouraged by the attention awarded to shareholders from these companies as they announce their results for fiscal year 2021 and make projections for the coming year.

In the near term investors will continue to focus on the knock-on impact to Japan of a number of international

developments – both financial and geopolitical. The most immediate repercussion of these has been the sharp fall in the Yen against other international currencies. The Yen's fall from ¥115/USD\$ at the beginning of March 2022 to over ¥133/USD\$ is particularly significant. This 15% decline presents both challenges and opportunities for a country which is reliant on international trade. The current situation has developed as a result of notably different inflationary dynamics and monetary policy in Japan compared to other developed regions. These factors will influence the path of the post pandemic recovery of the Japanese economy and potentially therefore the relative attractiveness of different investment opportunities for this strategy.

However, these shorter-term economic developments should not distract investors from the real and fundamental improvements in corporate governance and shareholder return that have created the strongest argument for holding Japanese equities over the long term whatever the path of recovery. Corporate adherence to the more favourable shareholder paradigm encouraged under former Prime Minister Abe has been evident in the resilient performance during the last two years and the rapid return to growth of both dividends and share buybacks to complement business growth strategies offers an exciting investment backdrop.

Richard Aston

Coupland Cardiff Asset Management LLP

27 June 2022

TOP TEN SECTORS AND HOLDINGS

AS AT 30 APRIL 2022

TOP 10 SECTORS

| Sector | % of net assets |
|------------------------------|-----------------|
| Information & Communications | 17.2 |
| Chemicals | 10.9 |
| Banks | 9.9 |
| Electrical Appliances | 9.2 |
| Real Estate | 8.6 |
| Wholesale | 7.4 |
| Services | 7.4 |
| Transport Equipment | 6.3 |
| Insurance | 5.8 |
| Securities & Commodities | 5.0 |
| Other Sectors | 10.8 |
| Other net assets | 1.5 |
| Total | 100.0 |

TOP 10 EQUITY HOLDINGS

| Company | Sector | % of net assets |
|---------------------------------|------------------------------|-----------------|
| Mitsubishi UFJ Financial Group | Banks | 5.1 |
| Nippon Telegraph & Telephone | Information & Communications | 4.9 |
| Sumitomo Mitsui Financial Group | Banks | 4.9 |
| DIP Corporation | Services | 3.9 |
| Mitsubishi | Wholesale | 3.7 |
| Itochu Corp | Wholesale | 3.7 |
| Toyota Electron | Transport Equipment | 3.7 |
| Softbank Corp | Information & Communications | 3.6 |
| Sompo Holdings | Insurance | 3.4 |
| SBI Holdings | Securities & Commodities | 3.3 |
| Other equity holdings | n/a | 58.3 |
| Total holdings | | 98.5 |
| Other net assets | | 1.5 |
| Total | | 100.0 |

TOP TEN CONTRACTS FOR DIFFERENCE (CFDs)

| Company | Sector | Absolute value £'000 | Absolute value as a % of net assets | Market value £'000 |
|---------------------------------|------------------------------|-------------------------|--|--------------------------|
| Mitsubishi UFJ Financial Group | Banks | 2,213 | 1.0 | 264 |
| Nippon Telegraph & Telephone | Information & Communications | 2,117 | 1.0 | 390 |
| Sumitomo Mitsui Financial Group | Banks | 2,105 | 1.0 | (12) |
| DIP Corporation | Services | 1,688 | 0.8 | 39 |
| Mitsubishi | Wholesale | 1,608 | 0.7 | 284 |
| Itochu Corp | Wholesale | 1,587 | 0.7 | 243 |
| Toyota Electron | Transport Equipment | 1,586 | 0.7 | 65 |
| Softbank Corp | Information & Communications | 1,555 | 0.7 | (21) |
| Sompo Holdings | Insurance | 1,487 | 0.7 | 88 |
| SBI Holdings | Securities & Commodities | 1,423 | 0.7 | (62) |
| Top Ten CFDs | | 17,369 | 8.0 | 1,278 |
| Other CFDs | n/a | 25,428 | 11.7 | (626) |
| Total | | 42,797 | 19.7 | 652 |

INTERIM MANAGEMENT REPORT

The Directors are required to provide an Interim Management Report in accordance with the Financial Conduct Authority ("FCA") Disclosure Guidance and Transparency Rules. The Chairman's Statement and the Investment Manager's Report in this half-yearly report provide details of the important events which have occurred during the period and their impact on the financial statements. The following statements on related party transactions, going concern and the Directors' Responsibility Statement, together, constitute the Interim Management Report for the Company for the six months ended 30 April 2022. The outlook for the Company for the remaining six months of the year ending 31 October 2022 is discussed in the Chairman's Statement and the Investment Manager's Report.

PRINCIPAL AND EMERGING RISKS AND UNCERTAINTIES

The Board is responsible for the management of risks faced by the Company and delegates this role to the Audit and Risk Committee (the "Committee"). The Committee carries out, at least annually, a robust assessment of principal and emerging risks and uncertainties and monitors the risks on an ongoing basis.

The Committee has a dynamic risk management register in place to help identify key risks in the business and oversee the effectiveness of internal controls and processes. The risk management register and associated risk heat map provide a visual reflection of the Company's identified principal and emerging risks. These key risks fall into four categories:

- Strategic and business risks, including risks associated with the economy;
- Financial risks;
- Operational risks, including business interruption due to COVID-19; and
- Regulatory and compliance risks.

The Committee considers both the impact and the probability of each risk occurring and ensures appropriate controls are in place to reduce risk to an acceptable level. A detailed explanation of the principal and emerging risks and uncertainties to the Company are detailed in the Company's most recent Annual Report for the year ended 31 October 2021, which can be found on the Company's website at www.ccjapanincomeandgrowthtrust.com.

Since the publication of the 2021 Annual Report and Accounts on 11 February 2022, there continues to be increased risk levels within the global economy as a result of the disruptive impact and continued uncertainty caused by the COVID-19 pandemic. The Russian invasion of Ukraine and the subsequent impact on global economies and international relations combined

with increasing levels of inflation worldwide and the potential for rising interest rates has undoubtedly raised investment risk. The Board has considered the impact of the continued uncertainty on the Company's investment objectives, investment portfolio and shareholders and, continues to monitor the situation closely to assess and mitigate any impact.

RELATED PARTY TRANSACTIONS

The Company's Investment Manager is Coupland Cardiff Asset Management LLP. Coupland Cardiff Asset Management LLP is considered a related party under the Listing Rules. The Investment Manager is entitled to receive a management fee payable monthly in arrears at the rate of one-twelfth of 0.75% of Net Asset Value per calendar month. Investment management fees paid during the six-month period to 30 April 2022 were £836,000. There is no performance fee payable to the Investment Manager. There have been no changes to the related party transactions that could have a material effect on the financial position or performance of the Company since the year ended 31 October 2021.

GOING CONCERN

The Board has a reasonable expectation that the Company has adequate resources to continue in operational existence for at least twelve months from 27 June 2022. In reaching this conclusion, the Directors have considered the liquidity of the Company's portfolio of investments as well as its cash position, income, and expense flows. The Company's net assets as at 30 April 2022 were £217.0 million (30 April 2021: £208.6 million). As at 30 April 2022, the Company held £213.9 million (30 April 2021: £207.0 million) in quoted investments. In addition, as at 30 April 2022, the Company had gross exposure to Contracts for Difference of £42.8 million (30 April 2021: £41.4 million). The total expenses (excluding finance costs and taxation) for the six months ended 30 April 2022 were £1.2 million (30 April 2021: £1.1 million). The Company has a £12 million (or its equivalent in Japanese yen) bank overdraft facility with Northern Trust Company and as at 30 April 2022, £1.9 million (30 April 2021: £2.7 million) had been utilised on the Japanese yen bank account.

As part of their assessment, the Board has performed stress testing and liquidity analysis on the Company's portfolio of investments, giving careful consideration to the consequences for the Company of continuing uncertainties in the global economy. The Russian invasion of Ukraine and the ongoing COVID-19 pandemic including further lockdowns in Japan, have created significant supply chain disruption, exacerbating inflationary pressures worldwide. A prolonged and deep stock market decline would lead to a fall in investment values and potential interruptions to cash flow.

The Company currently has sufficient liquidity available to meet any future obligations.

DIRECTORS' STATEMENT OF RESPONSIBILITY FOR THE HALF-YEARLY REPORT

The Directors confirm to the best of their knowledge that:

- The condensed set of financial statements contained within the half-yearly financial report has been prepared in accordance with FRS 104 Interim Financial Reporting.
- The Interim Management Report includes a fair review of the information required by 4.2.7R and 4.2.8R of the FCA's Disclosure Guidance and Transparency Rules.

Harry Wells

Chairman

For and on behalf of the Board of Directors

27 June 2022

UNAUDITED CONDENSED STATEMENT OF COMPREHENSIVE INCOME

SIX MONTHS TO 30 APRIL 2022

| | Note | Six months to 30 April 2022 | | | Six months to 30 April 2021 | | | Year ended 31 October 2021* | | |
|--|------|-----------------------------|------------------|----------------|-----------------------------|------------------|----------------|-----------------------------|------------------|----------------|
| | | Revenue £'000 | Capital £'000 | Total £'000 | Revenue £'000 | Capital £'000 | Total £'000 | Revenue £'000 | Capital £'000 | Total £'000 |
| (Losses)/gains on investments | | – | (3,791) | (3,791) | – | 26,199 | 26,199 | – | 39,373 | 39,373 |
| Currency gains | | – | 55 | 55 | – | 415 | 415 | – | 734 | 734 |
| Income | 4 | 4,141 | – | 4,141 | 3,861 | – | 3,861 | 8,241 | – | 8,241 |
| Investment management fee | | (167) | (669) | (836) | (156) | (624) | (780) | (318) | (1,273) | (1,591) |
| Other expenses | | (327) | – | (327) | (305) | – | (305) | (634) | – | (634) |
| Return on ordinary activities before finance costs and taxation | | 3,647 | (4,405) | (758) | 3,400 | 25,990 | 29,390 | 7,289 | 38,834 | 46,123 |
| Finance costs | 5 | (43) | (98) | (141) | (28) | (82) | (110) | (61) | (161) | (222) |
| Return on ordinary activities before taxation | | 3,604 | (4,503) | (899) | 3,372 | 25,908 | 29,280 | 7,228 | 38,673 | 45,901 |
| Taxation | 6 | (414) | – | (414) | (386) | – | (386) | (824) | – | (824) |
| Return on ordinary activities after taxation | | 3,190 | (4,503) | (1,313) | 2,986 | 25,908 | 28,894 | 6,404 | 38,673 | 45,077 |
| Return per Ordinary Share – undiluted | 10 | 2.37p | (3.34)p | (0.97)p | 2.22p | 19.23p | 21.45p | 4.75p | 28.70p | 33.45p |
| Return per Ordinary Share – diluted | 10 | 1.97p | (2.79)p | (0.82)p | 2.22p | 19.23p | 21.45p | 3.96p | 23.92p | 27.88p |

* Audited.

The total column of the Income Statement is the profit and loss account of the Company. All revenue and capital items in the above statement derive from continuing operations.

Both the supplementary revenue and capital columns are prepared under guidance from the Association of Investment Companies. There is no other comprehensive income and therefore the return for the period is also the total comprehensive income for the period.

The Company's "Ordinary Share – diluted" is due to the potential dilutive effect through exercise of 26,946,122 Transferable Subscription Shares issued on 18 February 2021.

The notes on pages 16 to 22 form part of these interim financial statements.

UNAUDITED CONDENSED STATEMENT OF FINANCIAL POSITION

AS AT 30 APRIL 2022

| | Note | 30 April 2022 £'000 | 30 April 2021 £'000 | 31 October 2021* £'000 |
|---|------|---------------------------|---------------------------|------------------------------|
| Fixed assets | | | | |
| Investments at fair value through profit or loss | 3 | 213,896 | 207,036 | 220,271 |
| Current assets | | | | |
| Cash collateral in respect of Contracts for Difference ("CFDs") | | 43 | – | – |
| Amounts due in respect of CFDs | | 2,311 | 5,534 | 443 |
| Other debtors | | 3,260 | 3,121 | 3,264 |
| | | 5,614 | 8,655 | 3,707 |
| Creditors: amounts falling due within one year | | | | |
| Cash and cash equivalents – Bank overdraft | | (226) | (5,346) | (48) |
| Cash collateral in respect of CFDs | | – | (242) | (18) |
| Amounts payable in respect of CFDs | | (1,659) | (1,226) | (738) |
| Other creditors | | (581) | (304) | (304) |
| | | (2,466) | (7,118) | (1,108) |
| Net current assets | | 3,148 | 1,537 | 2,599 |
| Total assets less current liabilities | | 217,044 | 208,573 | 222,870 |
| Net assets | | 217,044 | 208,573 | 222,870 |
| Capital and reserves | | | | |
| Share capital | 8 | 1,348 | 1,348 | 1,348 |
| Share premium | | 98,067 | 98,067 | 98,067 |
| Special reserve | | 64,671 | 64,671 | 64,671 |
| Capital reserve | | | | |
| – Revaluation gains on investment held at period end | | 19,673 | 23,243 | 26,628 |
| – Other capital reserve | | 27,665 | 15,833 | 25,213 |
| Revenue reserve | | 5,620 | 5,411 | 6,943 |
| Total Shareholders' funds | | 217,044 | 208,573 | 222,870 |
| NAV per share – Ordinary Shares – undiluted (pence) | 11 | 161.09p | 154.81p | 165.42p |
| NAV per share – Ordinary Shares – diluted (pence) | 11 | 161.08p | 155.84p | 164.68p |

* Audited.

Approved by the Board of Directors and authorised for issue on 27 June 2022 and signed on their behalf by:

Harry Wells
Director

CC Japan Income & Growth Trust plc is incorporated in England and Wales with registration number 9845783.

The notes on pages 16 to 22 form part of these interim financial statements.

UNAUDITED CONDENSED STATEMENT OF CHANGES IN EQUITY

SIX MONTHS TO 30 APRIL 2022

| | Share capital £'000 | Share premium £'000 | Special reserve £'000 | Capital reserve £'000 | Revenue reserve £'000 | Total £'000 |
|--|------------------------|------------------------|--------------------------|--------------------------|--------------------------|----------------|
| Balance at 1 November 2021 | 1,348 | 98,067 | 64,671 | 51,841 | 6,943 | 222,870 |
| Return on ordinary activities after taxation | – | – | – | (4,503) | 3,190 | (1,313) |
| Dividends paid | – | – | – | – | (4,513) | (4,513) |
| Balance at 30 April 2022 | 1,348 | 98,067 | 64,671 | 47,338 | 5,620 | 217,044 |

SIX MONTHS TO 30 APRIL 2021

| | Share capital £'000 | Share premium £'000 | Special reserve £'000 | Capital reserve £'000 | Revenue reserve £'000 | Total £'000 |
|--|------------------------|------------------------|--------------------------|--------------------------|--------------------------|----------------|
| Balance at 1 November 2020 | 1,348 | 98,437 | 64,671 | 13,168 | 6,736 | 184,360 |
| Return on ordinary activities after taxation | – | – | – | 25,908 | 2,986 | 28,894 |
| Dividends paid | – | – | – | – | (4,311) | (4,311) |
| Transferable Subscription Share issue costs | – | (370) | – | – | – | (370) |
| Balance at 30 April 2021 | 1,348 | 98,067 | 64,671 | 39,076 | 5,411 | 208,573 |

YEAR ENDED 31 OCTOBER 2021

(Audited)

| | Share capital £'000 | Share premium £'000 | Special reserve £'000 | Capital reserve £'000 | Revenue reserve £'000 | Total £'000 |
|--|------------------------|------------------------|--------------------------|--------------------------|--------------------------|----------------|
| Balance at 1 November 2020 | 1,348 | 98,437 | 64,671 | 13,168 | 6,736 | 184,360 |
| Return on ordinary activities after taxation | – | – | – | 38,673 | 6,404 | 45,077 |
| Dividends paid | – | – | – | – | (6,197) | (6,197) |
| Transferable Subscription Share issue costs | – | (370) | – | – | – | (370) |
| Balance at 31 October 2021 | 1,348 | 98,067 | 64,671 | 51,841 | 6,943 | 222,870 |

The Company's distributable reserves consist of the Special reserve, Revenue reserve and Capital reserve attributable to realised profits.

The notes on pages 16 to 22 form part of these interim financial statements.

UNAUDITED CONDENSED STATEMENT OF CASH FLOWS

SIX MONTHS TO 30 APRIL 2022

| | Six months to 30 April 2022 £'000 | Six months to 30 April 2021 £'000 | Year ended 31 October 2021* £'000 |
|---|--|--|--|
| Operating activities cash flows | | | |
| Return on ordinary activities before finance costs and taxation** | (758) | 29,390 | 46,123 |
| Adjustment for: | | | |
| Losses/(gains) on investments | 4,631 | (18,381) | (28,306) |
| Movement in CFD transactions | (1,008) | (5,980) | (1,601) |
| Decrease/(increase) in other debtors | 31 | (84) | (293) |
| Increase in other creditors | 132 | 87 | 89 |
| Tax withheld on overseas income | (414) | (386) | (824) |
| Net cash flow from operating activities | 2,614 | 4,646 | 15,188 |
| Investing activities cash flows | | | |
| Purchases of investments | (18,053) | (58,804) | (100,687) |
| Proceeds from sales of investments | 19,912 | 51,139 | 89,778 |
| Net cash flow from/ (used in) investing activities | 1,859 | (7,665) | (10,909) |
| Financing activities cash flows | | | |
| Transferable Subscription Share issue costs paid | – | (370) | (370) |
| Equity dividends paid | (4,513) | (4,311) | (6,197) |
| Finance costs paid | (138) | (109) | (223) |
| Net cash used in financing activities | (4,651) | (4,790) | (6,790) |
| Decrease in cash and cash equivalents | (178) | (7,809) | (2,511) |
| Cash and cash equivalents at the beginning of the period | (48) | 2,463 | 2,463 |
| Cash and cash equivalents at the end of the period | (226) | (5,346) | (48) |

* Audited.

** Cash inflow from dividends was £3,758,000 (30 April 2021: £3,418,000 and 31 October 2021: £7,083,000).

The notes on pages 16 to 22 form part of these interim financial statements.

NOTES TO THE INTERIM FINANCIAL STATEMENTS

1. GENERAL INFORMATION

CC Japan Income & Growth Trust plc (the “Company”) was incorporated in England and Wales on 28 October 2015 with registered number 9845783, as a closed-ended investment company. The Company commenced its operations on 15 December 2015. The Company intends to carry on business as an investment trust within the meaning of Chapter 4 of Part 24 of the Corporation Tax Act 2010.

The Company's investment objective is to provide Shareholders with dividend income combined with capital growth, mainly through investment in equities listed or quoted in Japan.

The principal activity of the Company is that of an investment trust company within the meaning of section 1158 of the Corporation Tax Act 2010.

The Company's shares were admitted to the Official List of the UK Listing Authority with a premium listing on 15 December 2015. On the same day, trading of the Ordinary Shares commenced on the London Stock Exchange.

The Company's registered office is 6th Floor, 125 London Wall, London, EC2Y 5AS.

2. ACCOUNTING POLICIES

The interim financial statements have been prepared in accordance with FRS 104 Interim Financial Reporting and the Statement of Recommended Practice “Financial Statements of Investment Trust Companies and Venture Capital Trusts” issued by the Association of Investment Companies in April 2021.

This half-yearly Financial Report is unaudited and does not include all the information required for full annual financial statements. The half-yearly Financial Report should be read in conjunction with the Annual Report and Accounts of the Company for the year ended 31 October 2021. The Annual Report and Accounts for the year ended 31 October 2021 were prepared in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (“FRS 102”) and received an unqualified audit report. The financial information for the year ended 31 October 2021 in this half-yearly Financial Report has been extracted from the audited Annual Report and Accounts for that year end. The accounting policies in this Half-yearly Financial Report are consistent with those applied in the Annual Report and Accounts for the year ended 31 October 2021.

The interim financial statements have been presented in GBP sterling (£).

3. INVESTMENTS

| | As at 30 April 2022 (Unaudited) £'000 | As at 30 April 2021 (Unaudited) £'000 | As at 31 October 2021 (Audited) £'000 |
|---|--|--|--|
| Investments listed on a recognised overseas investment exchange | 213,896 | 207,036 | 220,271 |
| | 213,896 | 207,036 | 220,271 |

Fair Value Measurements of Financial Assets and Financial Liabilities

The financial assets and liabilities are either carried in the balance sheet at their Fair Value, or the balance sheet amount is a reasonable approximation of Fair Value (due from brokers, dividends receivable, accrued income, due to brokers, accruals and cash and cash equivalents).

The valuation techniques for investments and derivatives used by the Company are explained in the accounting policies notes 2 (b and c) in the Annual Report and Accounts for the year ended 31 October 2021.

The table below sets out fair value measurements using fair value hierarchy.

| 30 April 2022 (Unaudited) | Level 1 £'000 | Level 2 £'000 | Level 3 £'000 | Total £'000 |
|---------------------------|------------------|------------------|------------------|----------------|
| Assets: | | | | |
| Equity investments | 213,896 | – | – | 213,896 |
| CFDs – Fair Value gains | – | 2,311 | – | 2,311 |
| Liabilities: | | | | |
| CFDs – Fair Value losses | – | (1,659) | – | (1,659) |
| Total | 213,896 | 652 | – | 214,548 |

| 30 April 2021 (Unaudited) | Level 1 £'000 | Level 2 £'000 | Level 3 £'000 | Total £'000 |
|---------------------------|------------------|------------------|------------------|----------------|
| Assets: | | | | |
| Equity investments | 207,036 | – | – | 207,036 |
| CFDs – Fair Value gains | – | 5,534 | – | 5,534 |
| Liabilities: | | | | |
| CFDs – Fair Value losses | – | (1,226) | – | (1,226) |
| Total | 207,036 | 4,308 | – | 211,344 |

| 31 October 2021 (Audited) | Level 1 £'000 | Level 2 £'000 | Level 3 £'000 | Total £'000 |
|---------------------------|------------------|------------------|------------------|----------------|
| Assets: | | | | |
| Equity investments | 220,271 | – | – | 220,271 |
| CFDs – Fair Value gains | – | 443 | – | 443 |
| Liabilities: | | | | |
| CFDs – Fair Value losses | – | (738) | – | (738) |
| Total | 220,271 | (295) | – | 219,976 |

There were no transfers between levels during the period (2021: same).

Categorisation within the hierarchy has been determined on the basis of the lowest level input that is significant to the Fair Value measurement of the relevant asset as follows:

Level 1 – valued using quoted prices in active markets for identical assets.

Level 2 – valued by reference to valuation techniques using observable inputs including quoted prices.

Level 3 – valued by reference to valuation techniques using inputs that are not based on observable market data. There are no Level 3 investments as at 30 April 2022 (30 April 2021: nil and 31 October 2021: nil).

NOTES TO THE INTERIM FINANCIAL STATEMENTS continued

4. INCOME

| | Six months to 30 April 2022 (Unaudited) £'000 | Six months to 30 April 2021 (Unaudited) £'000 | Year ended 31 October 2021 (Audited) £'000 |
|---------------------------------|--|--|---|
| Income from investments: | | | |
| Overseas dividends | 4,141 | 3,861 | 8,241 |
| Total | 4,141 | 3,861 | 8,241 |

Overseas dividend income is translated into sterling on receipt.

5. FINANCE COSTS

| | Six months to 30 April 2022 (Unaudited) £'000 | Six months to 30 April 2021 (Unaudited) £'000 | Year ended 31 October 2021 (Audited) £'000 |
|---|--|--|---|
| Interest paid – 100% charged to revenue | 19 | 8 | 21 |
| CFD finance cost and structuring fee – 20% charged to revenue | 24 | 20 | 39 |
| Structuring fees – 20% charged to revenue | – | – | 1 |
| | 43 | 28 | 61 |
| CFD finance cost and structuring fee – 80% charged to capital | 96 | 80 | 157 |
| Structuring fees – 80% charged to capital | 2 | 2 | 4 |
| | 98 | 82 | 161 |
| Total finance costs | 141 | 110 | 222 |

6. TAXATION

| | Six months to 30 April 2022 (Unaudited) | | | Six months to 30 April 2021 (Unaudited) | | |
|--|--|------------------|----------------|--|------------------|----------------|
| | Revenue £'000 | Capital £'000 | Total £'000 | Revenue £'000 | Capital £'000 | Total £'000 |
| Analysis of tax charge in the period: | | | | | | |
| Overseas withholding tax | 414 | – | 414 | 386 | – | 386 |
| Total tax charge for the period | 414 | – | 414 | 386 | – | 386 |

| | Year ended 31 October 2021 (Audited) | | |
|--|---|------------------|----------------|
| | Revenue £'000 | Capital £'000 | Total £'000 |
| Analysis of tax charge in the year: | | | |
| Overseas withholding tax | 824 | – | 824 |
| Total tax charge for the year | 824 | – | 824 |

7. INTERIM DIVIDEND

During the six months ended 30 April 2022, the Company paid a second interim dividend of 3.35p per Ordinary Share in respect of the year ended 31 October 2021. This was paid in substitution for a final dividend.

These interim financial statements have been prepared in accordance with the requirements of section 838 of the Companies Act 2006 and constitute the Company's interim accounts for the purpose of justifying the payment of an interim dividend for the year ending 31 October 2022.

The Directors have declared an interim dividend for the six months ended 30 April 2022 of 1.40p (2021: 1.40p) per Ordinary Share. The dividend will be paid on 5 August 2022, to Ordinary Shareholders on the register at the close of business on 8 July 2022. The Ordinary Shares will go ex-dividend on 7 July 2022 and the dividend will be funded from the Company's Revenue reserve.

8. SHARE CAPITAL

Share capital represents the nominal value of shares that have been issued. The share premium includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium.

| | As at 30 April 2022 (Unaudited) | | As at 30 April 2021 (Unaudited) | | As at 31 October 2021 (Audited) | |
|---|------------------------------------|--------------|------------------------------------|--------------|------------------------------------|--------------|
| | No. of shares | £'000 | No. of shares | £'000 | No. of shares | £'000 |
| Allotted, issued & fully paid: | | | | | | |
| Ordinary Shares of 1p | | | | | | |
| Opening balance | 134,730,610 | 1,348 | 134,730,610 | 1,348 | 134,730,610 | 1,348 |
| Closing balance | 134,730,610 | 1,348 | 134,730,610 | 1,348 | 134,730,610 | 1,348 |

Since the period end, the Company has issued no further Ordinary Shares, with 134,730,610 Ordinary Shares in issue as at 27 June 2022. There have been no shares subscribed for by Subscription Shareholders.

9. FINANCIAL COMMITMENTS

As at 30 April 2022 there were no commitments in respect of unpaid calls and underwritings (30 April 2021: nil and 31 October 2021: nil).

10. RETURN PER ORDINARY SHARE

Total return per Ordinary Share is based on the return on ordinary activities, including income, for the period after taxation of £1,313,000 (30 April 2021: £28,894,000 and 31 October 2021: £45,077,000).

Based on the weighted average number of Ordinary Shares-undiluted in issue for the period to 30 April 2022 of 134,730,610 (30 April 2021: 134,730,610 and 31 October 2021: 134,730,610) and Ordinary Shares-diluted 161,676,732 (30 April 2021: 134,730,610 and 31 October 2022: 161,676,732) in issue for the period to 30 April 2022. The Company's Ordinary Shares-diluted is due to the issuance of 26,946,122 Transferable Subscription Shares.

The returns per Ordinary Share were as follows:

| | As at 30 April 2022 (Unaudited) | | | As at 30 April 2021 (Unaudited) | | | As at 31 October 2021 (Audited) | | |
|---------------------------------------|------------------------------------|---------|---------|------------------------------------|---------|--------|------------------------------------|---------|--------|
| | Revenue | Capital | Total | Revenue | Capital | Total | Revenue | Capital | Total |
| Return per Ordinary Share – undiluted | 2.37p | (3.34)p | (0.97)p | 2.22p | 19.23p | 21.45p | 4.75p | 28.70p | 33.45p |
| Return per Ordinary Share – diluted | 1.97p | (2.79)p | (0.82)p | 2.22p | 19.23p | 21.45p | 3.96p | 23.92p | 27.88p |

NOTES TO THE INTERIM FINANCIAL STATEMENTS continued

11. NET ASSET VALUE PER SHARE

Total shareholders' funds and the net asset value ("NAV") per share attributable to the Ordinary Shareholders at the period end calculated in accordance with the Articles of Association were as follows:

NAV per Ordinary Share – undiluted

| | As at 30 April 2022 (Unaudited) | As at 30 April 2021 (Unaudited) | As at 31 October 2021 (Audited) |
|---|---------------------------------------|---------------------------------------|---------------------------------------|
| Net Asset Value (£'000) | 217,044 | 208,573 | 222,870 |
| Ordinary Shares in issue | 134,730,610 | 134,730,610 | 134,730,610 |
| NAV per Ordinary Share – undiluted | 161.09p | 154.81p | 165.42p |

NAV per Ordinary Share – diluted

On 16 February 2021, the Company announced an issue of 26,946,122 TSS at a price of 161p. The first exercise date for the Transferable Subscription Shares was 31 May 2021 and quarterly thereafter until the final exercise date of 28 February 2023. On the assumption that the Transferable Subscription Shares had been fully exercised and paid for as the period end, the dilutive effect on the Company's NAV would be as follows:

| | As at 30 April 2022 (Unaudited) | As at 30 April 2021 (Unaudited) | As at 31 October 2021 (Audited) |
|--|---------------------------------------|---------------------------------------|---------------------------------------|
| Transferable Subscription shares issued | 26,946,122 | 26,946,122 | 26,946,122 |
| Proceeds from issue of transferable subscription shares at issue price of 161p | 43,383 | 43,383 | 43,383 |
| Net Asset Value adjusted for transferable subscription shares | 260,427 | 251,956 | 266,253 |
| Ordinary Shares – post exercise transferable subscription shares | 161,676,732 | 161,676,732 | 161,676,732 |
| NAV per Ordinary Share – diluted | 161.08p | 155.84p | 164.68p |

12. RELATED PARTY TRANSACTIONS

Transactions with the Investment Manager and the Alternative Investment Fund Investment Manager ("AIFM")

The Company provides additional information concerning its relationship with the Investment Manager and AIFM, Coupland Cardiff Asset Management LLP. Investment Management fees for the six month period ended 30 April 2022 were £836,000 (30 April 2021: £780,000 and 31 October 2021: £1,591,000). The Investment Management fees outstanding at the period ended 30 April 2022 were £133,000 (30 April 2021: £131,000 and 31 October 2021: £141,000).

Research purchasing agreement

The Markets in Financial Instruments Directive II ("MiFID II") treats investment research provided by brokers and independent research providers as a form of "inducement" to investment managers and requires research to be paid separately from execution costs. In the past, the costs of broker research were primarily borne by the Company as part of execution costs through dealing commissions paid to brokers. With effect from 3 January 2018, this practice has changed, as brokers subject to MiFID II are now required to price, and charge for, research separately from execution costs. Equally, the rules require the Investment Manager, as an investment Manager, to ensure that the research costs borne by the Company are paid for through a designated Research Payment Account ("RPA") funded by direct research charges to the Investment Manager's clients, including the Company.

The research charge for the year 1 January 2021 to 31 December 2021, as agreed between the Investment Manager and the Company, was £28,000 (31 December 2020: £30,000). The research charge for the year 1 January 2022 to 31 December 2022, as budgeted by the Investment Manager, is £34,000.

Directors' fees and shareholdings

Directors' fees are payable at the rate of £26,000 per annum for each Director other than the Chairman, who is entitled to receive £39,000. The Chairman of the Audit and Risk Committee is also entitled to an additional fee of £5,330 per annum and the Senior Independent Director ("SID") is entitled to an additional fee of £1,040.

The Directors had the following ordinary shareholdings in the Company, all of which were beneficially owned.

| | Ordinary Shares as at 30 April 2022 (Unaudited) | Transferable Subscription Shares* as at 30 April 2022 (Unaudited) | Ordinary Shares as at 30 April 2021 (Unaudited) | Transferable Subscription Shares* as at 30 April 2021 (Unaudited) |
|---------------------|--|--|--|--|
| Harry Wells | 40,000 | 58,000 | 40,000 | 8,000 |
| Kate Cornish-Bowden | 40,000 | 20,000 | 40,000 | 8,000 |
| Peter Wolton | 67,250 | 13,449 | 67,250 | 13,449 |
| June Aitken** | 40,000 | – | – | – |
| Craig Cleland** | 40,000 | – | – | – |
| John Scott*** | – | – | 62,500 | 12,500 |

| | Ordinary Shares as at 31 October 2021 (Audited) | Transferable Subscription Shares* as at 31 October 2021 (Audited) |
|---------------------|--|--|
| Harry Wells | 40,000 | 58,000 |
| Kate Cornish-Bowden | 40,000 | 8,000 |
| Peter Wolton | 67,250 | 13,449 |
| June Aitken** | – | – |
| Craig Cleland** | – | – |
| John Scott*** | 62,500 | 12,500 |

* On 18 February 2021 Transferable Subscription Shares were issued on a 1 for 5 basis to all Shareholders as a free bonus.

** June Aitken and Craig Cleland were appointed to the Board on 1 February 2022.

*** John Scott retired from the Board on 22 March 2022.

13. POST BALANCE SHEET EVENTS

There are no post balance sheet events other than as disclosed in this half-yearly financial report.

NOTES TO THE INTERIM FINANCIAL STATEMENTS continued

14. STATUS OF THIS REPORT

These interim financial statements are not the Company's statutory accounts for the purposes of section 434 of the Companies Act 2006. They are unaudited. The half-yearly financial report will be made available to the public at the registered office of the Company.

The report will also be available on the Company's website www.ccjapanincomeandgrowthtrust.com.

The information for the year ended 31 October 2021 has been extracted from the last published audited financial statements, unless otherwise stated. The audited financial statements have been delivered to the Registrar of Companies. The Auditors reported on those accounts and their report was unqualified, did not draw attention to any matters by way of emphasis and did not contain a statement under sections 498(2) or 498(3) of the Companies Act 2006.

GLOSSARY AND ALTERNATIVE PERFORMANCE MEASURES (“APM”)

| | |
|---|---|
| Administrator | The Company's administrator, the current such administrator being Sanne Fund Services (UK) Limited. Sanne Group plc acquired the PraxisIFM Funds Business and subsequently the name of the Company's Administrator and Company Secretary changed from PraxisIFM Fund Services (UK) Limited to Sanne Fund Services (UK) Limited. |
| AIC | Association of Investment Companies. |
| Alternative Investment Fund or “AIF” | An investment vehicle under AIFMD. Under AIFMD (see below) the Company is classified as an AIF. |
| Alternative Investment Fund Managers’ Directive or “AIFMD” | A European Union Directive which came into force on 22 July 2013 and has been implemented in the UK. |
| Annual General Meeting or “AGM” | A meeting held once a year, which Shareholders are entitled to attend, and where they can vote on resolutions to be put forward at the meeting and ask Directors questions about the Company. |
| CFD or Contract for Difference | A financial instrument, which provides exposure to an underlying equity with the provider financing the cost to the buyer with the buyer receiving the difference of any gain or paying for any loss. |
| Custodian | An entity that is appointed to safeguard a company's assets. |
| Depository | Certain AIFs must appoint depositaries under the requirements of AIFMD. A depository's duties include, inter alia, safekeeping of the Company's assets and cash monitoring. Under AIFMD the depository is appointed under a strict liability regime. |
| Dividend | Income receivable from an investment in shares. |
| Discount (APM) | The amount, expressed as a percentage, by which the share price is less than the NAV per Ordinary Share. |

| As at 30 April 2022 | | Page | |
|------------------------|----------------|------|-------------|
| NAV per Ordinary Share | a | 2 | 161.1 |
| Share price | b | 2 | 145.3 |
| Discount | (b÷a)-1 | | 9.8% |

| | |
|-------------------------|---|
| Ex-dividend date | The date from which you are not entitled to receive a dividend which has been declared and is due to be paid to Shareholders. |
|-------------------------|---|

| | |
|---|--|
| Financial Conduct Authority or “FCA” | The independent body that regulates the financial services industry in the UK. |
|---|--|

| | |
|----------------------|--|
| Gearing (APM) | Borrowing to increase exposure designed to increase income and capital returns, but which can also magnify losses. The Company may be geared through the CFDs and if utilised, the overdraft facility with The Northern Trust Company. |
|----------------------|--|

| As at 30 April 2022 | | Page | £'000 |
|---------------------------|------------------|------|--------------|
| CFD Notional Market Value | a | n/a | 42,797 |
| Non-base cash borrowings | b | n/a | 2,089 |
| NAV | c | 13 | 217,044 |
| Gearing (net) | ((a+b)/c) | | 20.7% |

GLOSSARY AND ALTERNATIVE PERFORMANCE MEASURES ("APM") continued

| | |
|---------------------------|---|
| Gross assets (APM) | The Company's total assets including any leverage amount. |
| Index | A basket of stocks which is considered to replicate a particular stock market or sector. |
| In the Money | The Transferable Subscription Shares are "In the Money" when the Ordinary Share price trades at a level that exceeds the Subscription Price. |
| Investment trust | A closed end investment company which is based in the UK and which meets certain tax conditions which enables it to be exempt from UK corporation tax on its capital gains. This Company is an investment trust. |
| Leverage (APM) | Under the Alternative Investment Fund Managers Directive ("AIFMD"), leverage is any method by which the exposure of an Alternative Investment Fund ("AIF") is increased through borrowing of cash or securities or leverage embedded in derivative positions. |

Under AIFMD, leverage is broadly similar to gearing, but is expressed as a ratio between the assets (excluding borrowings) and the net assets (after taking account of borrowing). Under the gross method, exposure represents the sum of the Company's positions after deduction of cash balances, without taking account of any hedging or netting arrangements. Under the commitment method, exposure is calculated without the deduction of cash balances and after certain hedging and netting positions are offset against each other. Under both methods the AIFM has set current maximum limits of leverage for the Company of 200%.

| As at 30 April 2022 | | Gross £'000 | Commitment £'000 |
|---------------------------|------------------|----------------|---------------------|
| Security Market value | a | 213,896 | 213,896 |
| CFD Notional market value | b | 42,797 | 42,797 |
| Cash and cash equivalents | c | 2,583 | 325 |
| NAV | d | 217,044 | 217,044 |
| Leverage | (a+b+c)/d | 119% | 118% |

| | |
|---|---|
| Market liquidity | The extent to which investments can be bought or sold at short notice. |
| Net assets | An investment company's assets less its liabilities. |
| Net Asset Value (NAV) per Ordinary Share | Net assets divided by the number of Ordinary Shares in issue (excluding any shares held in treasury). |
| Ordinary Shares | The Company's Ordinary Shares in issue. |
| Ongoing charges (APM) | A measure, expressed as a percentage of average NAV, of the regular, recurring annualised costs of running an investment company. |

| Period ended 30 April 2022 | | Page | |
|----------------------------|--------------|------|--------------|
| Average NAV | a | n/a | 223,547,138 |
| Annualised expenses | b | 12 | 2,326,000 |
| Ongoing charges | (b÷a) | | 1.04% |

| | |
|---|--|
| Out of the Money | The Transferable Subscription Shares are “out of the money” when the Ordinary Shares trade lower than the Subscription Price. |
| Portfolio | A collection of different investments constructed and held in order to deliver returns to Shareholders and to spread risk. |
| Premium (APM) | The amount, expressed as a percentage, by which the share price is more than the Net Asset Value per share. |
| Share buyback | A purchase of a company's own shares. Shares can either be bought back for cancellation or held in treasury. |
| Share Price | The price of a share as determined by buyers and sellers on the relevant stock exchange. |
| Subscription Price | The Subscription Price is set at £1.61 being the price that holders of the Transferable Subscription Shares can pay to exercise these shares into New Ordinary Shares of the Company on a quarterly basis up until the end of February 2023. |
| Transferable Subscription Shares | A Transferable Subscription Share confers the right (but not the obligation) to subscribe for one Ordinary Share on exercise of the rights attached to the Transferable Subscription Share and on payment of the Subscription Price of £1.61 at the end of each calendar quarter between 31 May 2021 and 28 February 2023. |
| Treasury shares | A company's own shares held in Treasury account by the Company, but which are available to be resold in the market. |
| Total return (APM) | A measure of performance that includes both income and capital returns. This takes into account capital gains and reinvestment of dividends paid out by the Company into its Ordinary Shares on the ex-dividend date. |

| Period ended 30 April 2022 | | Page | Share price | NAV |
|---------------------------------------|--------------|------|--------------|--------------|
| Opening at 1 November 2021 (in pence) | a | 2 | 119.5 | 136.8 |
| Closing at 30 April 2022 (in pence) | b | 2 | 145.3 | 161.1 |
| Price movement (b÷a)-1 | c | n/a | 21.5% | 17.8% |
| Dividend reinvestment | d | n/a | -25.2% | -18.5% |
| Total return | (c+d) | | -3.7% | -0.7% |

| | |
|-------------------|---|
| Volatility | A measure of how much a share moves up and down in price over a period of time. |
|-------------------|---|

COMPANY INFORMATION

DIRECTORS, INVESTMENT MANAGER AND ADVISERS

DIRECTORS

Harry Wells (Chairman)
Kate Cornish-Bowden (Audit & Risk Committee Chair)
Peter Wolton (Senior Independent Director)
June Aitken
Craig Cleland

BROKER

Peel Hunt LLP
100 Liverpool Street
London
EC2M 2AT

DEPOSITARY AND CUSTODIAN

Northern Trust Investor Services Limited
50 Bank Street
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REGISTRAR

Link Group
10th Floor Central Square
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LEGAL ADVISER

Stephenson Harwood LLP
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London
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INVESTMENT MANAGER

Coupland Cardiff Asset Management LLP
31-32 St James' Street
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SW1A 1HD

Website – www.couplandcardiff.com

REGISTERED OFFICE*

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EC2Y 5AS

COMPANY SECRETARY AND ADMINISTRATOR

Sanne Fund Services (UK) Limited (formerly PraxisIFM)
Fund Services (UK) Limited
6th Floor, 125 London Wall
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EC2Y 5AS

Website – www.sannegroup.com

AUDITOR

Ernst & Young LLP
144 Morrison Street
Edinburgh
EH3 8EX

COMPANY SECURITY INFORMATION/IDENTIFICATION CODES

WEBSITE

www.ccjapanincomeandgrowthtrust.com

ISIN

GB00BYSRMH16 (Ordinary Shares) / GB00BM90B010 (Subscription Shares)

SEDOL

BYSRMH1 (Ordinary Shares) / BM90B01 (Subscription Shares)

BLOOMBERG TICKER

CCJI LDN (Ordinary Shares) / CCJS LDN (Subscription Shares)

LEGAL ENTITY IDENTIFIER (LEI)

549 300 FZANMYIORK 1K98

GLOBAL INTERMEDIARY IDENTIFICATION NUMBER (GIIN)

6 HEK HT – 99 999 –SL – 826

* Registered in England no. 9845783.