

CC JAPAN INCOME & GROWTH TRUST PLC

HALF-YEARLY FINANCIAL REPORT

FOR THE SIX MONTHS ENDED 30 APRIL 2024



CHIKARA
Investments LLP

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INVESTMENT OBJECTIVE, FINANCIAL INFORMATION AND PERFORMANCE SUMMARY

INVESTMENT OBJECTIVE

The investment objective of CC Japan Income & Growth Trust Plc (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 2024	At 31 October 2023
Net assets (millions)	£275.7m	£235.1m
Net asset value (“NAV”) per Ordinary Share (“Share”) ¹	204.6p	174.5p
Share price	190.5p	162.5p
Share price discount to NAV ²	6.9%	6.9%
Annualised Ongoing charges ²	1.05%	1.06%
Gearing (net) ²	20.5%	21.2%

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 21 to 23 of this report.

PERFORMANCE SUMMARY

	For the six months to 30 April 2024 % change ¹	For the six months to 30 April 2023 % change ¹
NAV ex-income total return per Share ²	+20.6%	+12.3%
NAV cum-income total return per Share ²	+19.5%	+11.3%
Share price total return ²	+19.7%	+13.1%
Tokyo Stock Exchange Price Index (“Topix”) total return	+14.9%	+9.5%
Revenue return per Share	2.66p	2.66p
First interim dividend per Share	1.60p	1.55p

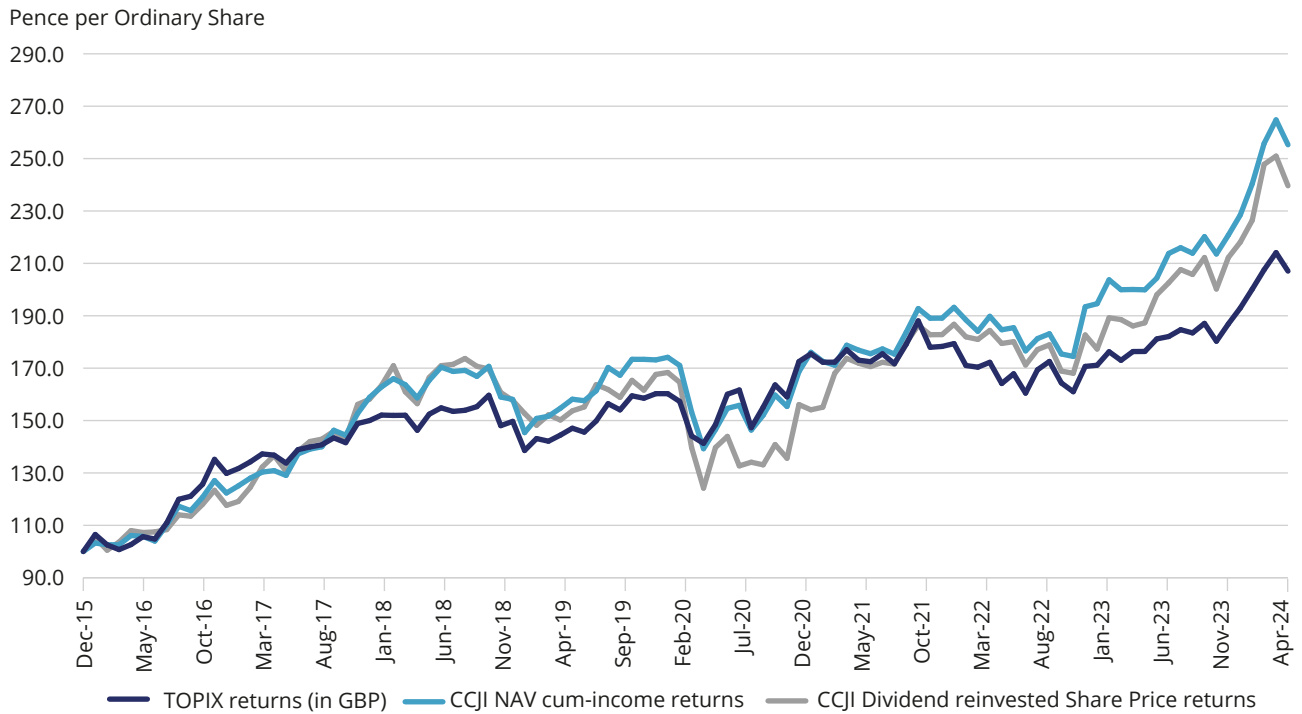
¹ Total returns are stated in GBP sterling, including dividend reinvested.

² These are APMs.

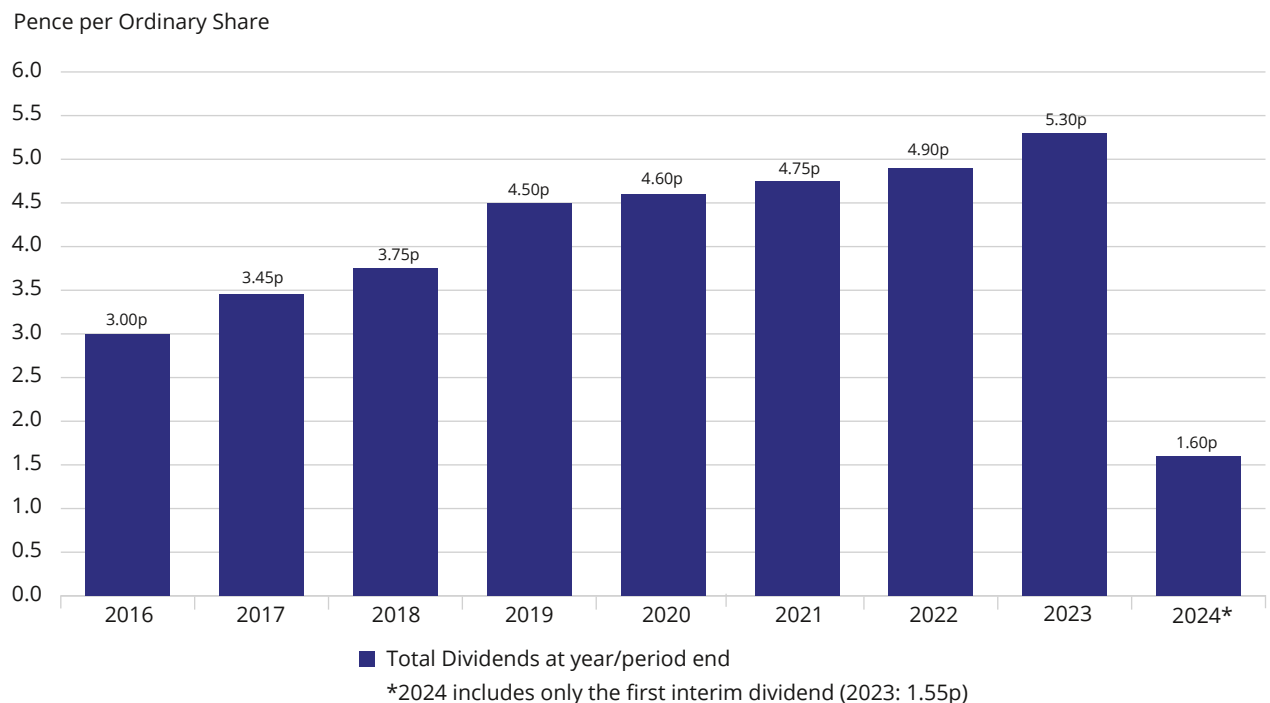
Source: Chikara Investments LLP – The Company’s Factsheet April 2024.

CCJI TOTAL NAV AND SHARE PRICE RETURN SINCE INCEPTION

AS AT 30 APRIL 2024



DIVIDEND PERFORMANCE SINCE INCEPTION



CHAIR'S STATEMENT

Performance

This is my first statement as Chair of your Company and I am pleased to present the interim results for the half year ended 30 April 2024. The Japanese equity market has shown notable strength with the Nikkei 225 reaching a 33-year high and the TOPIX Index continuing its robust performance from last year. This has been driven by solid corporate earnings, positive market sentiment resulting from steady improvement in corporate governance, and domestic economic reforms including the ending of the negative interest policy and yield curve control.

During this period, net assets rose by 19.5% on a total return basis while the share price total return to Ordinary shareholders gained 19.7%, including the second interim dividend of 3.75p per Ordinary share. The latter represents a 7.1% increase on the previous year. This performance comfortably surpassed the benchmark, the TOPIX total return index which rose 14.9% in sterling terms. Since inception in December 2015, net asset value ("NAV") has risen by 159.8% with the Ordinary Share price, including dividends distributed, rising by 133.2%. Dividends have represented over 34.3% of the share price total return, reflecting eight years of consistent growth.

Discount

The Company's shares continued to trade at a discount, closing unchanged at 6.9%, compared to the end of the financial year ended 31 October 2023. The Board monitors the share price rating and the discount level and has flexibility to buy back shares as authorised by Shareholder Resolution renewed at the Annual General Meeting ("AGM").

Income and Interim Dividend

Net revenue in the first half of the year remained at 2.66p compared with the same period last year. The Board has declared a first interim dividend of 1.60p per Ordinary Share, an increase of 3.23% over last year, payable on 2 August 2024 to Shareholders on the register as at 5 July 2024, with an ex-dividend date of 4 July 2024.

Board of Directors

Harry Wells retired at the end of the Company's AGM in March 2024, having served as Chair of the Board since 2015. I would like to take this opportunity to thank Harry for his invaluable contributions and excellent leadership of the Company. Craig Cleland has stepped into the role of Senior Independent Director. John Charlton-Jones joined the Board at the end of the last financial year and brings extensive knowledge of Japan. The Board remains committed to succession planning to ensure a diverse mix of skills and perspectives.

Outlook

The Japanese market remains attractive, supported by domestic policies and improving economic conditions. Japan's corporate governance reforms are driving capital efficiency and shareholder returns with increasing momentum behind larger dividend payouts and share buybacks. Rising wages and higher capital expenditure are also expected to bolster economic resilience and equity market performance.

However, challenges include a weak yen, a potential global economic slowdown, and continued geopolitical uncertainties with conflicts in the Ukraine and the Middle East contributing to global instability and negatively influencing energy prices and economic outlook. Additional uncertainty arises from the upcoming US Presidential elections and the policies that the new administration may adopt towards China, trade agreements, and international alliances.

The yen continued its significant decline falling a further 4.0% against the dollar and 6.9% against the pound during the reporting period. The Bank of Japan's potential shift from its long-standing ultra-loose monetary policy, including possible interest rate hikes, could support yen appreciation. The Federal Reserve is expected to pause or lower rates, narrowing the interest rate differential between the US and Japan, in the near future. This might further bolster the yen, however any yen strength could also pose challenges for Japanese exporters, potentially impacting corporate earnings.

Despite these risks, the ongoing structural reforms and domestic policies, and the probable end of deflation offer a compelling case for long term investment into Japanese equities. The country continues to leverage its technological expertise, particularly in robotics, artificial intelligence (AI), and semiconductor manufacturing. Japan is benefitting from the global trend of "friendshoring" with companies diversifying supply chains to reduce reliance on China. A significant example is TSMC's investment in a new semiconductor plant in Japan.

Governance reforms continue to deliver positive outcomes, showing total shareholder payout ratios (dividends and buybacks) exceeding 50% and dividends forecast to increase by nearly 10% in fiscal 2024*. The Company is well positioned to benefit from these changes as the Investment Manager actively engages with portfolio companies, making corporate governance a focus in every management meeting.

* According to Nomura.

CHAIR'S STATEMENT continued

The Company's long-term performance track record demonstrates Richard Aston and his team's expertise in identifying high potential stocks across all sectors, targeting both large and mid-sized companies.

On behalf of the Board, I would like to thank you for your continuing support.

June Aitken
Chair
21 June 2024

INVESTMENT MANAGER'S REPORT

Performance Review

The Net Asset Value ("NAV") of the CC Japan Income & Growth Trust Plc rose by 19.5% on a total return basis during the period between 31 October 2023 and 30 April 2024. This return includes a second interim dividend of 3.75p, a 7.1% increase year-on-year, fully covered by the income generated from the underlying holdings in the portfolio.

The Japanese equity market experienced its strongest gains since 2013, when the aggressive monetary and fiscal easing policies of former Prime Minister Shinzo Abe first raised optimism for a turnaround in the sluggish domestic corporate and economic performance of the previous two decades. The fact that the market has rallied so strongly, as the Bank of Japan has begun to reverse some of the abnormal monetary policies introduced at the time, is very meaningful and a recognition of the long-term objectives of Abenomics policies being realised.

Bank of Japan Governor Kazuo Ueda announced a major revision to the country's easy monetary policies in the March 2024 Board meeting, ending both the negative interest rate policy (NIRP) and Yield Curve Control (YCC). This represents the first increase in domestic interest rates since 2007 and it is consequently unsurprising that interest rate sensitive sectors featured prominently in the list of positive contributors to performance in the period. Holdings in the banking (Sumitomo Mitsui Financial Group, Mitsubishi UFJ Holdings) and insurance (Sompo Holdings, Tokio Marine Holdings) sectors were notable given that the improvement in operating environment has resulted in an immediate enhancement to shareholder returns as the companies seek to balance growth objectives and capital efficiency.

Global supply chains are being restructured in response to ongoing geopolitical turmoil and Japan is well positioned to address the strategic vulnerability in areas of technology where it has retained distinct competitive advantages. Semiconductor related companies such as Socionext, Nippon Pillar Packaging, Tokyo Ohka Kogyo and Shin-Etsu Chemical were strong performers in recognition of their industry leading positions and as potential beneficiaries of global realignment.

The domestic economy has remained sluggish due to a number of factors, not least the impact of a weaker yen and the conservative nature of Japanese consumers. Companies such as Nippon Parking Development and Dip (recruitment), whose business results are largely determined by their performance in the domestic market have experienced share price weakness. Our disappointment in this near-term return is tempered by each company's focus on long-term growth opportunities and consistent returns to shareholders.

Portfolio Positioning

The Company is positioned to capture the exciting opportunities that have emerged across the Japanese equity market to invest in companies that have embraced the goals of improving capital efficiency, corporate governance and returns to shareholders. The attractiveness in terms of depth and breadth of these opportunities has increased over time as initiatives such as the Tokyo Stock Exchange Action on Cost of Capital Conscious Management have built on the original goals of Abenomics.

This potential is now being enhanced by much clearer strategies for growth as the Japanese economy shifts from a deflationary era to one where persistent inflation affects consumer and corporate behaviour as well as the exciting renaissance of many Japanese companies in the global arena. It is however not universal and the importance of identifying these opportunities on a company-by-company basis with thorough analysis and research is paramount.

Adjustments to the portfolio have been limited over the period with the main activity focused on opportunities presented by short-term share price volatility. The holdings in Socionext and Tokyo Ohka Kogyo were reduced for example after sustained share price strength with the proceeds reinvested in existing holdings such as SBI Holdings (financial services), TechnoPro (labour outsourcing), Macnica (semiconductor distribution), Murata Manufacturing (semiconductor components) and Softbank Corp (mobile telecommunication and related services).

Outlook

The Company was established in the early phase of the corporate governance transformation in Japan to focus specifically on the benefits this was expected to bring in terms of an enhancement to capital efficiency and returns to shareholders. The Stewardship Code and Corporate Governance Codes have been the foundation for the improvements to date and investors in Japan have been significant beneficiaries of the focus and discipline these have brought. Further initiatives such as those from Tokyo Stock Exchange, firstly reconstructing the main indices and more recently demanding greater attention to capital cost, have accelerated developments in this respect. We are confident that the momentum behind this progression will continue.

The recent depreciation of the yen has created a number of considerations for officials, corporate managers and investors alike. However, we highlight the fact that the single currency based returns of the Japanese equity market have been strong over the last 10 years despite a wide variance in cross-rates against other major currencies. Our views are expressed in the underlying

INVESTMENT MANAGER'S REPORT continued

analysis of the individual positions established in the portfolio rather than overriding top-down view. We believe that long term investment case in Japanese equities is based on the exciting structural reforms identifiable in the corporate environment combined with the emerging opportunities for renewed growth rather than shorter term factors over which companies have no direct influence.

Richard Aston
Chikara Investments LLP
21 June 2024

TOP TEN SECTORS AND HOLDINGS

AS AT 30 APRIL 2024

TOP 10 SECTORS

Sector	% of net assets
Chemicals	13.8
Electrical Appliances	13.4
Banks	12.0
Information & Communications	11.2
Wholesale	7.9
Insurance	7.8
Other Financing Business	5.7
Services	5.2
Retail Trade	4.4
Securities & Commodities	3.7
Top Ten	85.1
Other Sectors*	13.7
Other net assets	1.2
Total	100.0

* Other Sectors comprise of 7 sectors, which individually, is less than 2.6% each of the net assets.

TOP 10 EQUITY HOLDINGS

Company	Sector	% of net assets
Sumitomo Mitsui Financial Group	Banks	6.2
Mitsubishi Financial UFJ Financial Group	Banks	5.8
Itochu	Wholesale	4.3
Hitachi	Electrical Appliances	4.2
Shin-Etsu Chemical	Chemicals	4.2
Sompo Holdings	Insurance	4.0
Tokio Marine	Insurance	3.8
SBI Holdings	Securities & Commodities	3.7
Softbank	Information & Communications	3.7
Mitsubishi	Wholesale	3.6
Top Ten		43.5
Other equity holdings		55.3
Total holdings		98.8
Other net assets		1.2
Total		100.0

TOP TEN SECTORS AND HOLDINGS continued

TOP TEN CONTRACTS FOR DIFFERENCE (CFDs)

Company	Sector	Absolute value £'000	Absolute value as a % of net assets	Market Value £'000
Sumitomo Mitsui Financial Group	Banks	3,417	1.2	629
Mitsubishi Financial UFJ Financial Group	Banks	3,203	1.2	652
Itochu	Wholesale	2,388	0.9	654
Hitachi	Electrical Appliances	2,298	0.8	899
Shin-Etsu Chemical	Chemicals	2,291	0.8	701
Sompo Holdings	Insurance	2,186	0.8	722
Tokio Marine	Insurance	2,074	0.8	647
SBI Holdings	Securities & Commodities	2,049	0.7	323
Softbank	Information & Communications	2,018	0.7	209
Mitsubishi	Wholesale	1,984	0.7	744
Top Ten CFDs		23,908	8.6	6,180
Other CFDs		30,544	11.2	3,624
Total CFDs		54,452	19.8	9,804

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 Chair'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 principal and emerging risks and uncertainties, 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 2024. The outlook for the Company for the remaining six months of the year ending 31 October 2024 is discussed in the Chair'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 risks, including principal and emerging risks.

The Company's risks fall into three categories:

- Strategic and Business risks, including investment performance, market, geopolitical and leverage risk;
- Operational and Financial risks, including cyber and business interruption; and
- Regulatory and Compliance risks, including climate change.

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 2023, which can be found on the Company's website at www.ccjapanincomeandgrowthtrust.com.

The risks as outlined in the 2023 Annual Report and Accounts released on the 24 January 2024 remain largely unchanged. The continued weakness of the yen has put some pressure on dividend receipts. The Company continues to grow revenue reserves and retains a Special Reserve of £64.7m available for distribution in circumstances where there is an unforeseen revenue shortfall.

The Board closely monitors and assesses these continued uncertainties as to how they could impact and affect the Company's trading position apropos our investment objectives, portfolio and thus our Shareholders, and where appropriate endeavour to mitigate the risk.

RELATED PARTY TRANSACTIONS

The Company's Investment Manager is Chikara Investments LLP. Chikara Investments 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 during the six-month period to 30 April 2024 were £980,000. 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 2023. Further information can be found in note 12 to the financial statements on page 20.

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 the publication of this Half-yearly Report. 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 2024 were £275.7 million (30 April 2023: £222.0 million). As at 30 April 2024, the Company held £272.3 million (30 April 2023: £217.6 million) in quoted investments. In addition, as at 30 April 2024, the Company had gross exposure to Contracts for Difference of £54.5 million (30 April 2023: £43.5 million). The total expenses (excluding finance costs and taxation) for the six months ended 30 April 2024 were £1.4 million (30 April 2023: £1.2 million). The Company has a £12.0 million (or its equivalent in Japanese yen) bank overdraft facility with Northern Trust Company and as at 30 April 2024, £2.0 million (30 April 2023: £0.9 million) had been utilised on the Japanese yen bank account.

INTERIM MANAGEMENT REPORT continued

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 and increased geopolitical tension worldwide. A prolonged and deep global or Japanese stock market decline would lead to a fall in investment values. However, the Company currently has sufficient liquidity available to meet any future obligations.

In accordance with the Company's Articles of Association, Shareholders have the right to vote on the continuation of the Company as an investment trust every three years and a resolution to that effect was last approved at the AGM in March 2022.

DIRECTORS' RESPONSIBILITY STATEMENT

The Disclosure Guidance and Transparency Rules (DTR) of the UK Listing Authority require the Directors to confirm their responsibilities in relation to the preparation and publication of the Interim Management Report and Financial Statements.

The Directors confirm to the best of their knowledge that:

- This set of unaudited condensed financial statements contained within the Half-yearly Report has been prepared in accordance with FRS 104 Interim Financial Reporting and the Statement of Recommended Practice "Financial Statements of Investment Companies and Venture Capital Trusts" issued by the Association of Investment Companies issued in July 2022 ("AIC SORP").
- This Interim Management Report, together with the Chair's Statement and Investment Manager's Report, includes a fair review of the information required by 4.2.7R and 4.2.8R of the Financial Conduct Authority's Disclosure Guidance and Transparency Rules.

June Aitken

Chair

For and on behalf of the Board of Directors

21 June 2024

UNAUDITED CONDENSED STATEMENT OF COMPREHENSIVE INCOME

SIX MONTHS TO 30 APRIL 2024

	Six months to 30 April 2024			Six months to 30 April 2023			Year ended 31 October 2023*			
	Note	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Gains on investment		-	42,179	42,179	-	20,330	20,330	-	32,435	32,435
Currency gains/ (losses)		-	744	744	-	(2)	(2)	-	209	209
Income	4	4,659	-	4,659	4,581	-	4,581	9,283	-	9,283
Investment management fee		(196)	(784)	(980)	(163)	(652)	(815)	(343)	(1,372)	(1,715)
Other expenses		(389)	-	(389)	(343)	-	(343)	(715)	-	(715)
Return on ordinary activities before finance costs and taxation		4,074	42,139	46,213	4,075	19,676	23,751	8,225	31,272	39,497
Finance costs	5	(33)	(104)	(137)	(35)	(87)	(122)	(63)	(173)	(236)
Return on ordinary activities before taxation		4,041	42,035	46,076	4,040	19,589	23,629	8,612	31,099	39,261
Taxation	6	(460)	-	(460)	(455)	-	(455)	(921)	-	(921)
Return on ordinary activities after taxation		3,581	42,035	45,616	3,585	19,589	23,174	7,241	31,099	38,340
Return per Ordinary Share	10	2.66p	31.20p	33.86p	2.66p	14.54p	17.20p	5.37p	23.08p	28.45p

* Audited.

The total column of the above 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 notes on pages 15 to 20 form part of these interim financial statements.

UNAUDITED CONDENSED STATEMENT OF FINANCIAL POSITION

AS AT 30 APRIL 2024

	Note	30 April 2024 £'000	30 April 2023 £'000	31 October 2023* £'000
Fixed assets				
Investments at fair value through profit or loss	3	272,259	217,592	231,987
Current assets				
Cash and cash equivalents		-	-	340
Cash collateral in respect of Contracts for Difference ("CFDs")		-	486	806
Amounts due in respect of CFDs	3	10,699	5,063	773
Other debtors		3,907	4,168	3,750
		14,606	9,717	5,669
Creditors: amounts falling due within one year				
Cash and cash equivalents – Bank overdraft		(288)	(2,240)	-
Cash collateral in respect of CFDs		(9,700)	-	(1,266)
Amounts payable in respect of CFDs	3	(894)	(2,280)	(738)
Other creditors		(301)	(749)	(534)
		(11,183)	(5,269)	(2,538)
Net current assets		3,423	4,448	3,131
Total assets less current liabilities		275,682	222,040	235,118
Net assets		275,682	222,040	235,118
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		55,866	21,671	24,636
– Other capital reserve		49,291	29,941	38,486
Revenue reserve		6,439	6,342	7,910
Total Shareholders' funds		275,682	222,040	235,118
NAV per share – Ordinary Shares (pence)	11	204.62p	164.80p	174.51p

* Audited.

Approved by the Board of Directors and authorised for issue on 21 June 2024 and signed on their behalf by:

June Aitken
Director

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

The notes on pages 15 to 20 form part of these interim financial statements.

UNAUDITED CONDENSED STATEMENT OF CHANGES IN EQUITY

SIX MONTHS TO 30 APRIL 2024

	Share capital £'000	Share premium £'000	Special reserve £'000	Capital reserve £'000	Revenue reserve £'000	Total £'000
Balance at 1 November 2023	1,348	98,067	64,671	63,122	7,910	235,118
Return on ordinary activities after taxation	-	-	-	42,035	3,581	45,616
Dividends paid	-	-	-	-	(5,052)	(5,052)
Balance at 30 April 2024	1,348	98,067	64,671	105,157	6,439	275,682

SIX MONTHS TO 30 APRIL 2023

	Share capital £'000	Share premium £'000	Special reserve £'000	Capital reserve £'000	Revenue reserve £'000	Total £'000
Balance at 1 November 2022	1,348	98,067	64,671	32,023	7,473	203,582
Return on ordinary activities after taxation	-	-	-	19,589	3,585	23,174
Dividends paid	-	-	-	-	(4,716)	(4,716)
Balance at 30 April 2023	1,348	98,067	64,671	51,612	6,342	222,040

YEAR ENDED 31 OCTOBER 2023

(Audited)

	Share capital £'000	Share premium £'000	Special reserve £'000	Capital reserve £'000	Revenue reserve £'000	Total £'000
Balance at 1 November 2022	1,348	98,067	64,671	32,023	7,473	203,582
Return on ordinary activities after taxation	-	-	-	31,099	7,241	38,340
Dividends paid	-	-	-	-	(6,804)	(6,804)
Balance at 31 October 2023	1,348	98,067	64,671	63,122	7,910	235,118

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

The notes on pages 15 to 20 form part of these interim financial statements.

UNAUDITED CONDENSED STATEMENT OF CASH FLOWS

SIX MONTHS TO 30 APRIL 2024

	Six months to 30 April 2024 £'000	Six months to 30 April 2023 £'000	Year ended 31 October 2023* £'000
Operating activities cash flows			
Return on ordinary activities before finance costs and taxation**	46,213	23,751	39,497
Adjustment for:			
Gains on equity investments	(32,469)	(17,383)	(24,684)
Realised losses/(gains) on CFDs	46	-	(7,656)
Movement in CFD transactions	(530)	(2,936)	758
Increase in other debtors	(157)	(546)	(500)
(Decrease)/Increase in other creditors	(36)	144	19
Tax withheld on overseas income	(460)	(455)	(921)
Net cash flow from operating activities	12,607	2,575	6,513
Investing activities cash flows			
Purchases of equity investments	(17,561)	(27,622)	(57,623)
Proceeds from sales of equity investments	9,558	26,232	49,413
Realised (losses)/gains on CFDs	(46)	-	7,656
Net cash flow used in investing activities	(8,049)	(1,390)	(554)
Financing activities cash flows			
Equity dividends paid	(5,052)	(4,716)	(6,804)
Finance costs paid	(134)	(122)	(228)
Net cash used in financing activities	(5,186)	(4,838)	(7,032)
Decrease in cash and cash equivalents	(628)	(3,653)	(1,073)
Cash and cash equivalents at the beginning of the period	340	1,413	1,413
Cash and cash equivalents at the end of the period	(288)	(2,240)	340

* Audited.

** Inflow from cash dividends received were £3,996,000 (30 April 2023: £3,612,000 and 31 October 2023: £7,888,000).

The notes on pages 15 to 20 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 carries 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 Company’s shares were admitted to the Official List of the Financial Conduct 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 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 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 July 2022.

This Half-yearly Report is unaudited and does not include all the information required for full annual financial statements. The Half-yearly Report should be read in conjunction with the Annual Report and Accounts of the Company for the year ended 31 October 2023. The Annual Report and Accounts for the year ended 31 October 2023 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 2023 in this Half-yearly Report has been extracted from the audited Annual Report and Accounts for that year end. The accounting policies in this Half-yearly Report are consistent with those applied in the Annual Report and Accounts for the year ended 31 October 2023.

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

3. INVESTMENTS

	As at 30 April 2024 (Unaudited) £’000	As at 30 April 2023 (Unaudited) £’000	As at 31 October 2023 (Audited) £’000
Investments listed on a recognised overseas investment exchange	272,259	217,592	231,987
	272,259	217,592	231,987

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 for the year ended 31 October 2023.

NOTES TO THE INTERIM FINANCIAL STATEMENTS continued

3. INVESTMENTS continued

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

30 April 2024 (Unaudited)	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Assets:				
Equity investments	272,259	-	-	272,259
CFDs – Unrealised fair value gains	-	10,699	-	10,699
Liabilities:				
CFDs – Unrealised fair value losses	-	(894)	-	(894)
Total	272,259	9,805	-	282,064

30 April 2023 (Unaudited)	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Assets:				
Equity investments	217,592	-	-	217,592
CFDs – Unrealised fair value gains	-	5,063	-	5,063
Liabilities:				
CFDs – Unrealised fair value losses	-	(2,280)	-	(2,280)
Total	217,592	2,783	-	220,375

31 October 2023 (Audited)	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Assets:				
Equity investments	231,987	-	-	231,987
CFDs – Unrealised fair value gains	-	773	-	773
Liabilities:				
CFDs – Unrealised fair value losses	-	(738)	-	(738)
Total	231,987	35	-	232,022

There were no transfers between levels during the period (2023: none).

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 2024 (2023: nil).

NOTES TO THE INTERIM FINANCIAL STATEMENTS continued

4. INCOME

	Six months to 30 April 2024 (Unaudited) £'000	Six months to 30 April 2023 (Unaudited) £'000	Year ended 31 October 2023 (Audited) £'000
Income from investments:			
Overseas dividends	4,595	4,552	9,215
Deposit interest	64	29	68
Total	4,659	4,581	9,283

Overseas dividend income is translated into sterling on receipt.

5. FINANCE COSTS

	Six months to 30 April 2024 (Unaudited) £'000	Six months to 30 April 2023 (Unaudited) £'000	Year ended 31 October 2023 (Audited) £'000
Interest paid – 100% charged to revenue	8	13	20
CFD finance cost and structuring fee – 20% charged to revenue	25	22	42
Structuring fees – 20% charged to revenue	-	-	1
	33	35	63
CFD finance cost and structuring fee – 80% charged to capital	102	87	169
Structuring fees – 80% charged to capital	2	-	4
	104	87	173
Total finance costs	137	122	236

6. TAXATION

	Six months to 30 April 2024 (Unaudited)			Six months to 30 April 2023 (Unaudited)		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Analysis of tax charge in the period:						
Overseas withholding tax	460	-	460	455	-	455
Total tax charge for the period	460	-	460	455	-	455

	Year ended 31 October 2023 (Audited)		
	Revenue £'000	Capital £'000	Total £'000
Analysis of tax charge in the year:			
Overseas withholding tax	921	-	921
Total tax charge for the year	921	-	921

NOTES TO THE INTERIM FINANCIAL STATEMENTS continued

7. INTERIM DIVIDEND

During the six months ended 30 April 2024, the Company paid a dividend of 3.75p per Ordinary Share in respect of the year ended 31 October 2023.

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 2024.

The Directors have declared an interim dividend for the six months ended 30 April 2024 of 1.60p (2023: 1.55p) per Ordinary Share. The dividend will be paid on 2 August 2024, to Ordinary Shareholders who appear on the register as at the close of business on 5 July 2024. The Ordinary Shares will go ex-dividend on 4 July 2024 and the dividend will be funded from the Company's Revenue reserve. This dividend has not been accrued in the financial statements for the six months to 30 April 2024.

8. SHARE CAPITAL

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

	As at 30 April 2024 (Unaudited)		As at 30 April 2023 (Unaudited)		As at 31 October 2023 (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 Ordinary Shares, with 134,730,610 Ordinary Shares in issue as at date of publication of this report.

9. FINANCIAL COMMITMENTS

As at 30 April 2024 there were no commitments in respect of unpaid calls and underwritings (30 April 2023: nil and 31 October 2023: 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 £45,616,000 (30 April 2023: £23,174,000 and 31 October 2023: £38,340,000) and the weighted average number of Ordinary Shares in issue for the period to 30 April 2024 of 134,730,610 (30 April 2023: 134,730,610 and 31 October 2023: 134,730,610).

The returns per Ordinary Share were as follows:

	As at 30 April 2024 (Unaudited)			As at 30 April 2023 (Unaudited)			As at 31 October 2023 (Audited)		
	Revenue	Capital	Total	Revenue	Capital	Total	Revenue	Capital	Total
Return per Ordinary Share	2.66p	31.20p	33.86p	2.66p	14.54p	17.20p	5.37p	23.08p	28.45p

NOTES TO THE INTERIM FINANCIAL STATEMENTS continued

11. NET ASSET VALUE PER SHARE

Total shareholders' funds and the 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

	As at 30 April 2024 (Unaudited)	As at 30 April 2023 (Unaudited)	As at 31 October 2023 (Audited)
Net Asset Value (£'000)	275,682	222,040	235,118
Ordinary Shares in issue	134,730,610	134,730,610	134,730,610
NAV per Ordinary Share	204.62p	164.80p	174.51p

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, Chikara Investments LLP. Investment Management fees for the six-month period ended 30 April 2024 were £980,000 (30 April 2023: £815,000 and 31 October 2023: £1,715,000). The Investment Management fees outstanding at the period ended 30 April 2024 were £172,000 (30 April 2023: £136,000 and 31 October 2023: £151,000).

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 2024 to 31 December 2024, as agreed between the Investment Manager and the Company, is US \$31,000 (31 December 2023: US \$34,000).

Directors' fees and shareholdings

Directors' fees are payable at the rate of £28,500 per annum for each Director other than the Chair, who is entitled to receive £42,750. The Chair of the Audit and Risk Committee is entitled to an additional fee of £6,000 per annum and the Senior Independent Director ("SID") is entitled to an additional fee of £1,000 per annum.

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

	Ordinary Shares as at 30 April 2024 (Unaudited)	Ordinary Shares as at 30 April 2023 (Unaudited)	Ordinary Shares as at 31 October 2023 (Audited)
June Aitken	42,409	41,251	41,631
Kate Cornish-Bowden	50,000	50,000	50,000
Craig Cleland	40,000	40,000	40,000
John Charlton-Jones ¹	22,403	-	12,185
Harry Wells ²	-	40,000	40,000
Peter Wolton ³	-	67,250	-

¹ John Charlton-Jones was appointed on 1 October 2023.

² Harry Wells resigned on 5 March 2024.

³ Peter Wolton resigned on 10 October 2023.

NOTES TO THE INTERIM FINANCIAL STATEMENTS continued

13. POST BALANCE SHEET EVENTS

There are no post balance sheet events other than as disclosed in this Half-yearly Report.

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 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 2023 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”)

Absolute exposure	The absolute difference between the Company’s long positions and short positions.
Administrator	The Company’s administrator, the current such administrator being Apex Listed Companies 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”	The UK version of a European Union Directive which came into force on 22 July 2013 and which is part of UK law by virtue of the European Union (Withdrawal) Act 2018, as amended by The Alternative Investment Fund Managers (Amendment etc.) (EU Exit) Regulations 2019.
Alternative Performance Measure or “APM”	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.
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.
Cum Dividend	A dividend that has been declared but not yet paid out.
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. The Company’s Depository is Northern Trust Investor Services Limited (with effect from 27 November 2021).
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 2024	Page	
NAV per Ordinary Share	a	• 204.62
Share price	b	• 190.50
Discount	(b÷a)-1	6.9%

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)	A way to magnify 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.

GLOSSARY AND ALTERNATIVE PERFORMANCE MEASURES (“APM”) continued

As at 30 April 2024		Page	£'000
CFD Notional Market Value*	a	n/a	54,452
Non-base cash borrowings**	b	n/a	2,004
NAV	c		275,682
Gearing (net)	((a+b)/c)		20.5%

* CFD positions in underlying asset value.

** Non-base cash borrowings represent borrowings in Yen.

Gross assets (APM)	The Company's total assets including any leverage amount.
Gross market exposure	The Company's total exposure investment value in the financial market prices.
Gross underlying notional exposure	The company's total exposure value on the underlying asset of its derivatives.
Index	A basket of stocks which is considered to replicate a particular stock market or sector.
Investment company	A company formed to invest in a diversified portfolio of assets.
Investment trust	A closed end investment company which is based in the United Kingdom (“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)	<p>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.</p> <p>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.</p> <p>Under both methods the AIFM has set current maximum limits of leverage for the Company of 200%.</p>

As at 30 April 2024		Gross £'000	Commitment £'000
Security Market value	a	272,259	272,259
CFD Notional market value	b	54,452	54,452
Cash and cash equivalents*	c	11,703	9,988
NAV	d	275,682	275,682
Leverage	(a+b+c)/d	123%	122%

* Cash and cash equivalents represent gross overdraft and net overdraft with Northern Trust.

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).
Net exposure	The difference between the Company's long positions and short positions
Ordinary Shares	Ordinary shares of £0.01 each in the capital of the Company.
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 2024		Page	
Average NAV	a	n/a	262,345,758
Annualised expenses	b	•	2,753,044
Ongoing charges	(b÷a)		1.05%

Portfolio	A collection of different investments constructed and held in order to deliver returns to Shareholders and to spread risk.
Share Premium to Net Asset Value (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.
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 2024	Page	Share price	NAV
Opening at 1 November 2023 (in pence)	a	• 162.50	174.51
Closing at 30 April 2024 (in pence)	b	• 190.50	204.62
Price movement (b÷a)-1	c	n/a 17.2%	17.3%
Dividend reinvestment*	d	n/a 2.5%	2.2%
Total return	(c+d)	19.7%	19.5%

* The dividend reinvestment is calculated on the assumption that dividends paid out by the Company are reinvested into the shares of the Company at NAV at the ex-dividend date.

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

DIRECTORS, INVESTMENT MANAGER AND ADVISERS

DIRECTORS

June Aitken (Chair)
Kate Cornish-Bowden (Audit & Risk Committee Chair)
Craig Cleland (Senior Independent Director)
John Charlton-Jones

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COMPANY SECURITY INFORMATION AND IDENTIFICATION CODES

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ISIN

GB00BYSRMH16

SEDOL

BYSRMH1

BLOOMBERG TICKER

CCJI LDN

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.