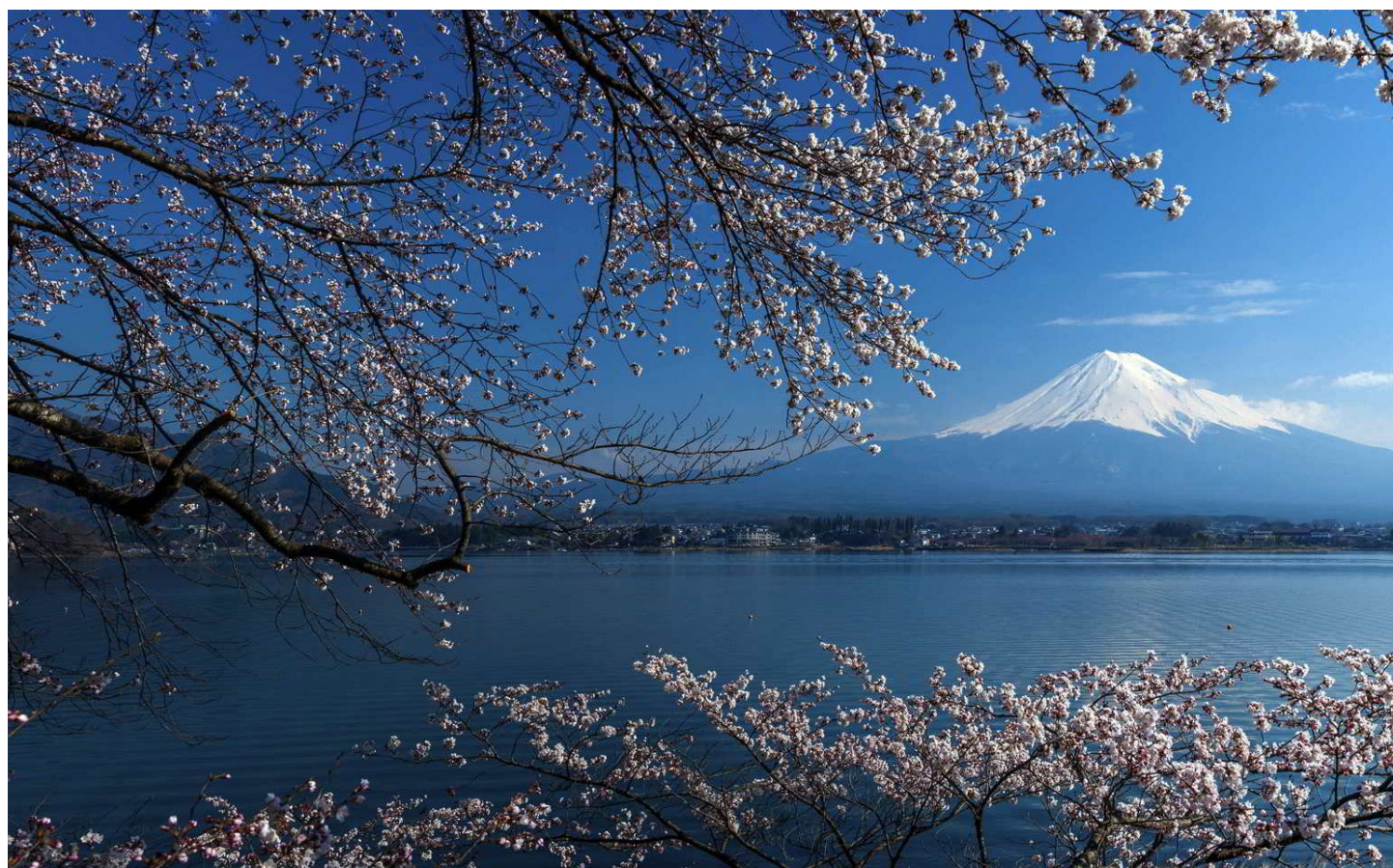


CC JAPAN INCOME & GROWTH TRUST PLC

ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 OCTOBER 2024



CHIKARA
Investments LLP

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INVESTMENT OBJECTIVE, FINANCIAL INFORMATION AND PERFORMANCE SUMMARY

INVESTMENT OBJECTIVE

The investment objective of the CC Japan Income & Growth Trust plc ("the Company" or "CCJI") is to provide shareholders with dividend income combined with capital growth, mainly through investment in equities listed or quoted in Japan.

FINANCIAL INFORMATION

	As at 31 October 2024	As at 31 October 2023
Net assets (millions)	£265.8	£235.1
Net asset value ("NAV") per ordinary share ¹	197.3p	174.5p
Share price	178.8p	162.5p
Share price discount to NAV ²	9.4%	6.9%
Ongoing charges ²	1.03%	1.06%
Gearing (net) ²	19.2%	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 73 to 77 of this report.

PERFORMANCE SUMMARY¹

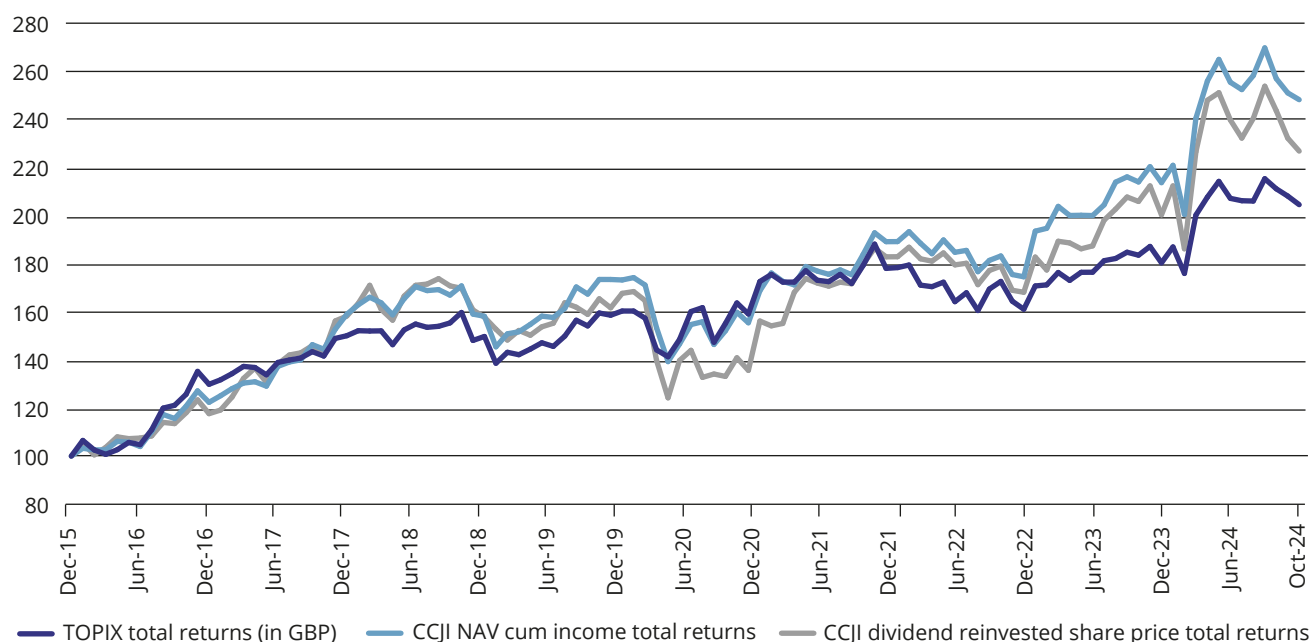
	For the year to 31 October 2024 % change	For the year to 31 October 2023 % change
NAV ex-income total return per share ²	+16.5%	+19.3%
NAV cum-income total return per share ²	+16.1%	+18.9%
Share price total return ²	+13.2%	+20.9%
Tokyo Stock Exchange Price Index ("TOPIX") total return	+13.4%	+12.0%
Revenue return per share	5.32p	5.37p
Dividends per share:		
First interim dividend	1.60p	1.55p
Second interim dividend	3.85p	3.75p
Total dividends per share for the year	5.45p	5.30p

1 Total returns are stated in sterling, including dividends reinvested.

2 These are APMs.

Source: Chikara Investments LLP – The Company's Factsheet October 2024.

CCJI TOTAL NAV AND SHARE PRICE RETURN SINCE INCEPTION



CCJI ANNUAL PERFORMANCE SUMMARY

<i>Year to October unless otherwise stated</i>	Launch to Oct 2016 ¹	2017	2018	2019	2020	2021	2022	2023	2024
Share price (p)	122.40	152.00	153.00	150.00	119.50	154.00	138.75	162.50	178.75
Share price total return (%)	+23.5	+27.2	+2.8	+0.7	-17.3	+32.7	-7.1	+20.9	+13.2
NAV per share (p)	123.90	146.00	148.60	158.90	136.80	165.40	151.09	174.50	197.31
NAV (cum-income) total return per share (%)	+24.9	+20.7	+4.1	+9.9	-11.1	+24.3	-5.9	+18.9	+16.1
TOPIX total return in sterling (%)	+32.7	+10.1	-0.4	+7.2	+0.3	+11.9	-9.5	+12.0	+13.4
Revenue return per share (p)	3.60	4.06	4.55	5.26	5.04	4.75	5.14	5.37	5.32
Dividends per share (p)	3.00	3.45	3.75	4.50	4.60	4.75	4.90	5.30	5.45 ²

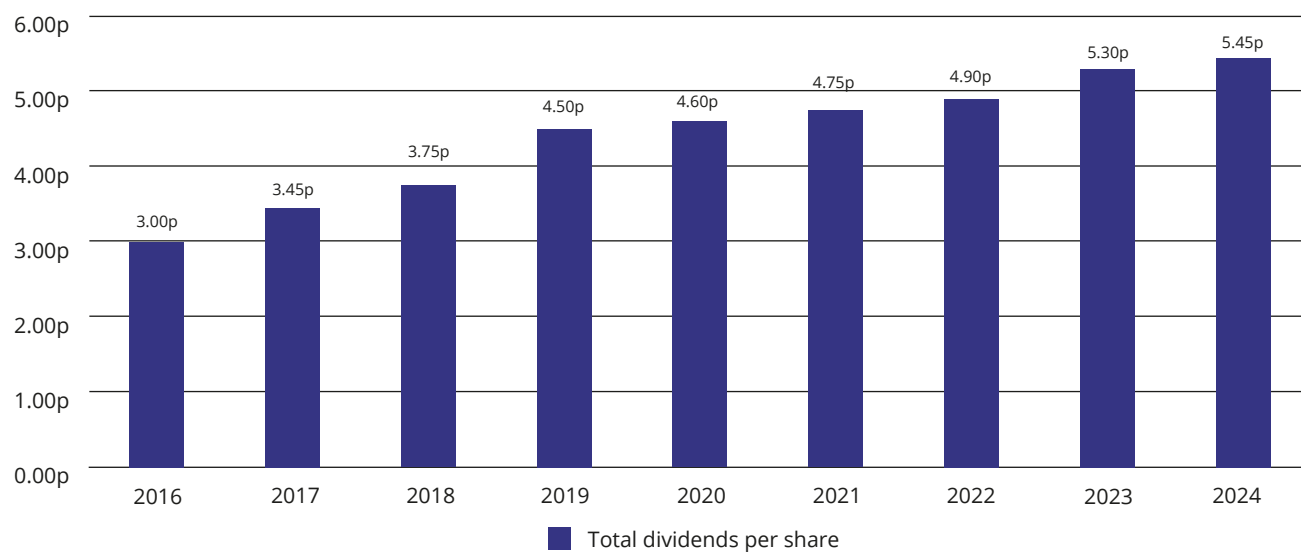
¹ Period from the Company's launch on 15 December 2015 to 31 October 2016.

² Includes second interim dividend of 3.85p for the year ended 31 October 2024.

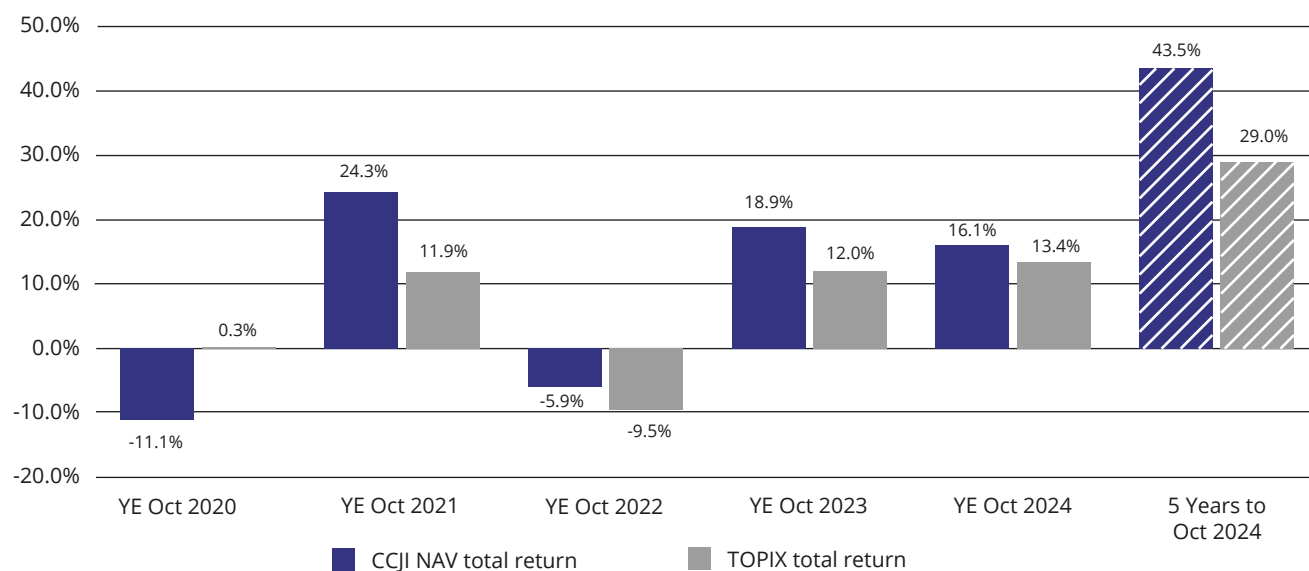
INVESTMENT OBJECTIVE, FINANCIAL INFORMATION AND PERFORMANCE SUMMARY

continued

DIVIDEND PERFORMANCE SINCE INCEPTION



COMPARISON OF NAV TOTAL RETURN PERFORMANCE OF THE COMPANY WITH TOPIX TOTAL RETURN OVER 5 YEARS



CHAIRMAN'S STATEMENT

Performance Review

I am pleased to report a strong performance from the Company over the year to 31 October 2024. The Company's net asset value ("NAV") total return was +16.1%. Over the year, the discount of the share price to NAV widened resulting in a total return to shareholders for the year of +13.2%. While the Company has no official benchmark, it outperformed on a NAV basis the TOPIX total return, a widely used measure of Japanese equity performance, which returned +13.4%. All returns include dividends paid and are translated into sterling terms.

The Company's cumulative return since inception in 2015 to 31 October 2024 was +152.5% on a NAV total return basis, and +126.7% in share price terms, comfortably ahead of the TOPIX total return of +100.6%. This long-term track record of high absolute returns and outperformance of the Index attests to the Investment Manager's skill in identifying companies paying income to shareholders whilst still offering strong growth potential.

For details on how the Company's performance was generated, current portfolio positioning, together with an outlook for the region and Company, please refer to the Investment Manager's Report on pages 7 and 8.

Discount

Over the year, the discount at which the Company's shares trade versus its NAV has widened, and ended the financial year at 9.4% (2023: 6.9%). This outcome, whilst disappointing, is comparable with the experience of the Company's immediate peers, although the Company has maintained the narrowest discount to NAV in the peer group. The Board will consider buying back shares to manage the level and volatility of the discount, if it is judged to be in the best interests of shareholders to do so.

Income and Dividends

The Company is committed to providing a progressive dividend to shareholders, although it does not set a specific yield target. The Board aims to increase dividend payments annually, a trend maintained since inception and continued this year, despite a marginal 0.9% decrease in revenue return to 5.32 pence per share, necessitating the use of a small amount of distributable reserves.

The Company paid a first interim dividend of 1.60 pence per share on 2 August 2024 and the Board has declared a second interim dividend of 3.85 pence per share, bringing the total dividend for the year to 5.45 pence per share, an increase of 2.8% over last year and representing a yield of 3%. The second interim dividend will be paid on 3 March 2025 to shareholders on the register as at 31 January 2025, with an ex-date of 30 January 2025.

In determining dividend payments, the Board prioritises coverage by current-year earnings while also building revenue reserves. The investment trust structure enables flexibility, allowing the Company to draw on reserves to support dividends when needed, as was the case this year. Despite the recent market volatility, the fundamental attractions of the Japanese equity market remain, based on a combination of low valuations, commitment to reform and broader growth opportunities.

Gearing

The Company uses structural gearing to enhance growth and income opportunities in the portfolio. Gearing is undertaken through long-only contracts for difference ("CFDs") and equity swaps: derivative contracts which replicate the financial effect of more conventional sources of gearing such as bank borrowings.

Continuation Vote Pursuant to the Company's Articles of Association

Whilst the Company has no fixed life, the Board is required to put a triennial continuation vote to shareholders. As the last such vote took place in 2022, a continuation vote will be put to shareholders at the Company's forthcoming Annual General Meeting. Given the long-term performance and returns, your Board has no hesitation in recommending to shareholders that they vote in favour of the Company continuing as an investment trust for a further three-year period.

Company Advisers

This year, the Board conducted a review of its operational arrangements. Following the completion of that review, the Board appointed Frostrow Capital LLP ("Frostrow") with effect from 1 January 2025 as its Alternative Investment Fund Manager ("AIFM"), Administrator and Company Secretary. Frostrow has also been appointed to provide investor relations and marketing services to the Company, alongside the team at Chikara Investments LLP ("Chikara"). Frostrow is an independent investment companies group and AIFM, specialising in providing services to a number of leading London Stock Exchange-listed investment companies. The Board is confident that this new appointment will enhance the quality of financial reporting and improve the standard of governance by bringing an additional layer of independent oversight. In consequence of this appointment, the Company's registered office has changed to 25 Southampton Buildings, London WC2A 1AL and I can be contacted via email at the following address: cosec@frostrow.com.

CHAIRMAN'S STATEMENT

continued

Revised Management Fee Arrangements

Your Board believes that, whilst the Investment Manager needs to remain appropriately incentivised, shareholders should share in the benefits of scale and the Company should demonstrably represent value for money. To this end, the Board has agreed with the Investment Manager that, with effect from 1 November 2024, the Company's management fee is calculated on a tiered basis of 0.75% per annum on the first £300 million of net assets and 0.60% on net assets in excess of £300 million. This compares with the flat fee arrangement of 0.75% per annum on net assets which has been levied since the Company's inception. The Company's fee arrangements remain competitive with other comparable managed investment companies and similar savings products. On behalf of the Board, I would like to acknowledge the Investment Manager's constructive approach in engaging with this process.

Marketing, Promotion and Shareholder Interaction

Following enhancements to investor relations and marketing resource, as mentioned above, the Board will be working with Chikara, Frostrow and the Company's broker to continue its efforts to increase the Company's profile with investors and potential investors across the investment community. This includes various video conferences, podcasts and in-person meetings, together with ongoing interaction with national and investment industry journalists. It is the Board's view that enhancing the Company's profile will benefit all shareholders, through a better understanding of the Company, and by creating sustained demand for its shares.

Board Composition

The Board reviews its composition and succession plans on a regular basis, taking into account the need to refresh membership and maintain diversity, while also ensuring continuity of Board experience. In an effort to distribute responsibilities across the Board, Craig Cleland, Senior Independent Director of the Board, was appointed as Chairman of the Nominations Committee with effect from 3 October 2024. Although only comprising four Directors, I can confirm that the Board's current composition is compliant with all applicable diversity targets for UK listed companies and it is the Board's intention that this will continue to be the case.

Annual General Meeting ('AGM')

The Company's ninth AGM will be held at the offices of Stephenson Harwood LLP, 1 Finsbury Circus, London EC2M 7SH at 12 noon on 3 March 2025. Portfolio Manager Richard Aston will give a presentation to shareholders on the Company's recent performance, notable portfolio changes and his thoughts on the outlook for the Japanese equity market. Shareholders will have an opportunity to meet the Directors, representatives from the Investment Manager and other Company advisers.

The Board encourages shareholders to attend the AGM but recognises that it is not possible for everyone to do so. If shareholders are unable to attend the meeting in person, they are strongly encouraged to vote by proxy and to appoint the "Chair of the AGM" as their proxy. Details of how to vote, either electronically, by proxy form or through CREST, can be found in the Notes to the Notice of AGM on pages 83 to 86. Questions can be put to the Board and the Portfolio Managers at the AGM, or in writing beforehand, by addressing questions to the Company Secretary by email to cossec@frostrow.com.

Why Japan and why CC Japan Income & Growth Trust plc?

Japan's stock market has delivered strong performance over the last decade and has proven to be one of the few highlights for investors in recent years. The Board and Investment Manager believe that the economic environment in Japan is likely to remain conducive to future strong performance returns and that Japan remains a favourable environment for investors. For an outlook for the region please refer to page 8.

However, for a plethora of reasons, not least including high costs and lack of access across platforms, investing directly into Japanese equities is challenging for individual UK investors and we believe that investment trusts provide a low cost and effective means by which to do so. In a complex investment region like Japan, active management is needed to unlock the most attractive return profile.

We believe the Company offers a differentiated approach for investors seeking exposure to Japan. It is set apart from its more growth-orientated peers since the Investment Manager has a focus on total return – considering both capital and income growth as key components – thus making it potentially less susceptible to sharp style shifts. The Investment Manager is not restrained in any way by an index and decisions are not based on one. In fact, the Company's portfolio tends to diverge strongly from major Japanese equity indices as it looks for opportunities beyond just the largest stocks found within it. The Company typically holds a relatively small number of stocks and this approach has paid off as the Company has historically outperformed the index strongly and we believe the mandate remains well placed to continue to do so.

We thank you for your ongoing support.

June Aitken
Chairman

21 January 2025

INVESTMENT MANAGER'S REPORT

Performance Review

The net asset value ("NAV") cum-income total return of the Company rose by +16.1% in sterling terms over the year to 31 October 2024. This return outperformed the rise of the TOPIX, which returned +13.4%. Yen weakness has been a notable feature of the year under review and cause of volatility in the latter months. However, the aggregate increase in sterling terms continues the strong record of total return of the Company since inception, which we believe confirms the importance of shareholder distributions as a component of total return in any long-term investment strategy for Japanese equities.

In several ways, nothing has changed over the last twelve months while in others, prospects currently appear very different. Global monetary policy and geopolitical tensions remain prominent considerations for investors and, for anyone with an interest in Japan so does the impact that these have on the foreign exchange market. However, Japan is emerging from decades of deflation and the transition to an inflationary era is creating many new challenges and opportunities for companies and consumers.

The Governor of the Bank of Japan, Kazuo Ueda, continues to indicate a path of 'normalisation' for domestic interest rates. Following on from the ending of the negative interest rate policy ("NIRP") in March, a second increase in interest rates was announced in July with expectations of further rises to come if the economy maintains its favourable trajectory with regard to wages and inflation in particular. Interest rate sensitive sectors featured prominently in the major positive contributors to performance during the period. Holdings in the banking (**Sumitomo Mitsui Financial Group, Mitsubishi UFJ Financial Group**) and insurance (**Sompo Holdings, Tokio Marine Holdings**) sectors performed strongly throughout the year as the improving operating environment resulted in an immediate benefit to financial performance. With clear targets to balance growth, capital efficiency and shareholder returns, the operating improvement led to an attractive combination of dividend increases and share buybacks.

The largest contributors to performance were **Zozo** and **Hitachi**. Zozo is Japan's leading on-line fashion retailer which has benefited in recent years from improved corporate governance. More recently its business model has delivered the sustainable cashflow that will allow it to continue to enhance its shareholder returns consistently. Hitachi, a large business conglomerate, has undergone a major operational restructuring and rationalisation rendering it almost unrecognisable from the company it was 20 years ago. Its success has been increasingly recognised by investors.

The most significant factor in the list of detractors from performance was the Company's underweight allocation to large capitalisation stocks. Smaller companies generally lagged the performance of their larger peers which was a modest headwind for performance.

Macnica, an electronics and software distributor, performed less well than anticipated during the year as demand suffered from a global inventory adjustment of key semiconductor components. The company maintained its commitment to shareholders with a dividend increase and share buybacks and remains confident in its market positioning and potential once business conditions improve.

Portfolio Positioning

In our opinion, the renaissance of the Japanese equity market is now into its twelfth year. The persistence of the government, regulators and investors over this timeframe to change the corporate culture in Japan is having a notable impact on capital efficiency and corporate governance standards. We believe that these factors are the underlying dynamic which has supported the favourable investment return for equity investors through not only periods of economic prosperity but also uncertainty. Further initiatives such as the action by the Financial Services Authority to urge non-life insurers to sell their strategic shareholdings, revisions to the Stewardship Code and substantial changes to the TOPIX inclusion rules will all add greater urgency to the reform in the corporate sector.

The Company is positioned to capture the exciting investment opportunities that are emerging in the Japanese equity market as a consequence of these changes. During the year under review, new holdings have been established in several companies whose appeal, most importantly, is based on their attractive long-term growth prospects. This remains a primary consideration for our investment strategy. In each case these prospects are supported by management policies consistent with an agenda of delivering sustainable improvements in capital efficiency and corporate governance.

JAFCO is Japan's leading venture capital investment business. The prospects for investment growth have been enhanced by government initiatives to promote a more entrepreneurial culture as well as the greater opportunities created by corporate restructuring and demography related business succession issues. The company is achieving a steady, sustainable improvement in capital efficiency through a redefined investment approach, stronger fundraising capabilities and an appropriate focus on returns to shareholders.

Japan Securities Finance provides services to securities companies and financial institutions and is a vital component of the daily operation of financial exchanges in Japan. Its outlook is enhanced by the

INVESTMENT MANAGER'S REPORT

continued

healthier securities market, lending conditions and new business initiatives. Returns are improving and this has been accompanied by recent initiatives to raise capital efficiency and shareholder returns through greater distribution to shareholders.

Dexerials is a leading manufacturer of functional materials used in display screens and other devices. Advanced investment in R&D and facility expansion has positioned the company well for the next generation of technologies. The benefits of this forward-looking strategy are reflected in the form of an enhanced distribution to shareholders via dividends and share buybacks.

The above purchases have been funded by a combination of reductions of established positions or entire disposals. The most significant activity has been the outright sales of holdings in **Nippon Telegraph & Telephone** and **Orix**. The former is due to a sluggish earnings outlook as the company balances the challenges of behavioural changes amongst consumers and its regulatory requirements. The latter was a decision based on valuation due to share price appreciation and is representative of the opportunities that are created during periods of market volatility. Similarly other holdings such as Mitsubishi UFJ Financial and Sampo Holdings were reduced after periods of strong share price performance.

Outlook

We believe that Japanese equities continue to offer a compelling investment opportunity despite the strong performance of recent years. With even greater encouragement from the government, regulators and shareholders, Japanese companies are adopting ever higher standards of corporate governance and implementing more attractive capital allocation policies. This is creating a favourable environment for investors in which significant opportunities to generate a total return, based on capital growth and compounding shareholder distributions, are achievable.

Japan has remained on the periphery of investment decisions for foreign and domestic investors alike for several years, but we believe this is changing. The more attractive investment landscape has encouraged heavy participation from international private equity investors seeking the cheap valuations on offer. Increased participation in the market by domestic investors is a particularly notable feature, following the revamp of the Nippon Individual Savings Account ("NISA") savings programme, and recognition that companies are delivering an attractive return profile for long-term investors. Our optimism in the outlook is increased by the fact that the investment opportunity created by corporate developments now coincides with signs of improving domestic economic fundamentals and the

potentially significant positive benefits to Japan of the global geopolitical realignment.

Richard Aston
Chikara Investments LLP

21 January 2025

TOP TEN HOLDINGS

Sumitomo Mitsui Financial Group 7.0%

Sumitomo Mitsui Financial Group was established through the merger of Sumitomo Bank and Sakura Bank in 2001. It is one of Japan's leading financial groups offering services such as commercial banking, leasing, securities, consumer finance and asset management.

The company targets continued growth in shareholder value by promoting disciplined investment and alliances, sound financials and progressive shareholder returns.

Mitsubishi UFJ Financial Group 4.9%

Mitsubishi UFJ Financial Group was established in 2005 through the merger of Mitsubishi Tokyo Financial Group and UFJ Holdings. It is now one of Japan's leading financial services groups with established operations around the world, most prominently in Asia and North America. This includes a strategic alliance and a 23% stake in Morgan Stanley. MUFJ continues to promote a balanced capital management policy maintaining a strong capital base, appropriate allocations to strategic growth opportunities and enhancing shareholder returns.

Itochu 4.4%

Itochu is one of Japan's leading trading companies involved in a broad range of businesses from the provision of upstream raw materials to downstream retail activities. In recent years Itochu has successfully introduced a business investment strategy based on high levels of capital efficiency and appropriate cash allocation including increasing returns to shareholders in the form of dividend and share buybacks.

Nintendo 4.1%

Nintendo is an international console and handheld gaming company with leading positions in both hardware and software production. Initiatives to improve the financial return on the company's extensive intellectual property are being accompanied by efforts to bolster its corporate governance. Management has a clear policy towards dividends and is taking a more proactive stance towards share buybacks.

Softbank 4.1%

Softbank provides telecommunication and associated network services in Japan and is a subsidiary of the Softbank Group. The company continues to demonstrate strong growth in its business services segment and from its "beyond carrier" strategy which includes e-commerce leader Yahoo Japan, online fashion retailer Zozo, social network Line and electronic payment service PayPay.

Tokio Marine Holdings 3.8%

Tokio Marine Holdings is a financial holding company which operates a leading domestic property and casualty insurance business as well as life insurance and other services. It has a significant international presence offering specialist insurance products in countries such as the US, Brazil, Singapore and the UK. Management has emphasised the importance of dividends in their capital management policies.

Shin-Etsu Chemical 3.7%

Shin-Etsu Chemical is a manufacturer with top global market share in PVC, semiconductor silicon wafers and a number of other semiconductor related and functional materials. The company established a global production base and developed a list of top tier international customers, which has allowed it to generate a strong track record of growth despite underlying volatility in individual markets. The company has, in recent years, given greater attention to shareholder returns within their capital policy, while maintaining emphasis on stability and progression.

Hitachi 3.5%

Hitachi is a globally recognised manufacturer of industrial equipment and developer of software covering a broad range of industries including Information Technology, Energy, Automotive, Transportation and Consumer Electronics. After restructuring the business operations, management has emphasised capital efficiency and improving shareholder returns.

Tokyo Metro 3.5%

Tokyo Metro is the operator of the underground rail network in Japan's capital. The company was recently listed with strong finances, stable cashflow, clear growth opportunities from its core operations and associated assets, and an attractive capital allocation policy. This should reward shareholders progressively through dividends as the benefits of previous investment and its clear future strategy are realised.

Japan Securities Finance 3.4%

Japan Securities Finance provides services to securities companies and financial institutions and is a vital component of the daily operation of financial exchanges in Japan. Its outlook is enhanced by the healthier securities market, lending conditions and new business initiatives. Returns are improving and this has been accompanied by recent initiatives to raise capital efficiency and shareholder returns through greater distribution to shareholders.

INVESTMENT POLICY, RESULTS AND OTHER INFORMATION

Investment policy

The Company invests in equities listed or quoted in Japan. The Company may also invest in exchange traded funds in order to gain exposure to such equities. Investment in exchange traded funds shall be limited to not more than 20 per cent. of gross assets at the time of investment. The Company may also invest in listed Japanese real estate investment trusts ("J-REITs").

The Company may enter into long only contracts for difference or equity swaps for gearing and efficient portfolio management purposes.

No single holding (including any derivative instrument) will represent more than 10 per cent. of gross assets at the time of investment and, when fully invested, the portfolio is expected to have between 30 to 40 holdings, although there is no guarantee that this will be the case and it may contain a lesser or greater number of holdings at any time.

The Company has the flexibility to invest up to 10 per cent. of its gross assets at the time of investment in unquoted or untraded companies.

The Company is not constrained by any index benchmark in its asset allocation.

Borrowing policy

The Company may use borrowings for settlement of transactions, to meet on-going expenses and may be geared through borrowings and/or by entering into long only contracts for difference ("CFDs") or equity swaps that have the effect of gearing the Company's portfolio to seek to enhance performance. The aggregate of borrowings and long only CFDs and equity swap exposure will not exceed 25 per cent. of net asset value at the time of drawdown of the relevant borrowings or entering into the relevant transaction, as appropriate, although the Company's normal policy will be to utilise and maintain gearing to a lower limit of 20 per cent. of net asset value at the time of drawdown of the relevant borrowings or entering into the relevant transaction, as appropriate. It is expected that any borrowings entered into will principally be denominated in yen.

Hedging policy

The Company does not currently intend to enter into any arrangements to hedge its underlying currency exposure to investments denominated in yen, although the Investment Manager and the Board may review this from time to time.

Results and dividend

The Company's revenue return after tax for the financial year amounted to £7,173,000 (2023: £7,241,000). In August 2024, the Company paid an interim dividend of 1.60p (2023: 1.55p) per ordinary share. On 17 January

2025, the Directors declared a second interim dividend for the year ended 31 October 2024 of 3.85p (2023: 3.75p) per ordinary share, which will be paid on 3 March 2025 to shareholders on the register at 31 January 2025. Therefore, the total dividend in respect of the financial year to 31 October 2024 will be 5.45p (2023: 5.30p) per ordinary share.

The Company made a capital gain after tax of £30,758,000 (2023: gain of £31,099,000). The total return, including income, after tax for the year was a gain of £37,931,000 (2023: gain of £38,340,000).

The Company's Purpose, Values and Culture

The primary focus of the Company is to provide shareholders with dividend income combined with capital growth, mainly through investment in equities listed or quoted in Japan. The Investment Manager identifies companies which are undervalued, have strong balance sheets, strong business franchises, and favourable attitudes to shareholder returns in the form of sustainable and growing dividends and share buyback policies.

The Company aims to meet the needs of investors through the Investment Manager's dual mandate of generating income and capital growth. The Company has been investing in Japanese equities since launch in 2015. Whilst the Company does not have a benchmark, the Board measures performance against the TOPIX Total Return and High Yield Indices.

To achieve this aim, the Board of Directors has engaged Chikara Investments LLP, who have the appropriate capability, resources and controls in place to manage actively the Company's assets in order to meet its investment objective. The Investment Manager has a well-defined investment strategy and process which is regularly and rigorously monitored and reviewed by the Board. As the Company has no employees and acts through its service providers, its culture is represented by the values and behaviour of the Board and third parties to which it delegates the provision of services.

To ensure that the Company's purpose, values, strategy and culture are aligned, the Board comprises independent Non-Executive Directors, who together bring a wide range of knowledge, skills and experience. The Board members contribute to a transparent culture ensuring effective oversight, critical support and challenge to the Investment Manager, and all other third-party suppliers. For more information on the Board's engagement with stakeholders, please refer to the Company's section 172 statement on pages 19 to 22.

Key performance indicators ("KPIs")

The Board measures the Company's success in attaining its investment objective by reference to the following KPIs:

(i) Long-term capital growth

The Board considers the Company's net asset value ("NAV") total return figures to be the best indicator of performance over time and this therefore is the main indicator of performance used by the Board. The NAV cum-income total return for the year to 31 October 2024 was +16.1% (2023: +18.9%) in sterling terms, and the NAV total return from the Company's inception in December 2015 to 31 October 2024 was +152.5%.

The Chairman's Statement on pages 5 and 6 incorporates a review of the highlights during the year. The Investment Manager's Report on pages 7 and 8 gives details on investments made during the year and how performance has been achieved.

(ii) Revenue return per share and dividends

The Company's revenue return per ordinary share, based on the weighted average number of shares in issue during the year, was 5.32p (2023: 5.37p). The Company's proposed total dividend payable in respect of the year ended 31 October 2024, including an interim dividend of 1.60p per ordinary share paid on 2 August 2024 and a second interim dividend of 3.85p payable on 3 March 2025, is 5.45p (2023: 5.30p) per ordinary share.

(iii) Discount/premium to NAV

The discount/premium relative to the NAV per share represented by the share price is closely monitored by the Board. The share price closed at a 9.4% discount to the NAV as at 31 October 2024 (2023: 6.9% discount).

(iv) Control of the level of ongoing charges

The Board monitors the Company's operating costs carefully. Growing the size of the Company offers many benefits, as not all of the Company's operating costs increase in line with the Company's assets under management. Based on the Company's average net assets for the year ended 31 October 2024, the Company's ongoing charges figure calculated in accordance with the AIC methodology was 1.03% (2023: 1.06%).

Other information

Modern slavery disclosure

The Company considers that it does not fall within the scope of the Modern Slavery Act 2015, and it is not, therefore, obliged to make a slavery and human trafficking statement. The Company considers its supply chains to be of low risk as its suppliers are typically professional advisers. A statement from Chikara, the Company's Investment Manager, on the steps it takes to investigate and mitigate the risk of modern slavery and human trafficking can be found on Chikara's website (www.chikarainvestments.com).

Greenhouse Gas Emissions and Streamlined Energy and Carbon Reporting ("SECR")

The Company has no employees, physical assets, property or operations of its own, does not provide goods or services and does not have its own customers. It follows that the Company has little to no direct environmental impact. In consequence, the Company has limited greenhouse gas emissions to report from its operations, nor does it have responsibility for any other sources of emissions under the Companies Act 2006 (Strategic Report and Directors' Reports) Regulations 2013. As the Company has no material operations and therefore has little energy use, it falls below the threshold to produce an energy and carbon report. The Company's ESG policy is contained on pages 17 and 18.

Employees

The Company has no employees. As at 31 October 2024, the Company had four Directors, comprising two males (50%) and two females (50%). Harry Wells retired at the end of the Company's AGM on 5 March 2024, having served as Chairman of the Board since 2015. He was succeeded by June Aitken, who joined the Board in February 2022. Craig Cleland, who also joined the Board in February 2022, was appointed to succeed June Aitken as Senior Independent Director of the Company.

Anti-bribery, Corruption and Tax Evasion

It is the Company's policy to conduct all of its business in an honest and ethical manner. The Company takes a zero-tolerance approach to bribery, corruption and tax evasion and is committed to acting professionally, fairly and with integrity in all its business dealings and relationships wherever it operates. Taking account of the nature of the Company's business and operations, the Board has adopted policies and procedures that allow it to have reasonable assurance that persons associated with the Company are prevented from engaging in bribery, corruption or tax evasion; and has adopted the same standard of zero tolerance.

Viability Statement

The Directors have assessed the viability of the Company for the period until 31 October 2029 (the "Period") taking into account the long-term nature of the Company's investment strategy and the principal risks and emerging risks outlined on pages 13 to 16. The Board has chosen a five-year period to assess the Company's viability because of the expected long-term nature of equity investment, the Investment Manager's holding period and the fact that the investment objective is unlikely to change significantly over this period.

Notwithstanding the foregoing, the continuation of the Company is subject to approval by shareholders at the Annual General Meeting due to be held on 3 March 2025 and, if passed, every three years thereafter. The Board is confident that shareholders will support the continuation vote.

INVESTMENT POLICY, RESULTS AND OTHER INFORMATION

continued

In their assessment of the prospects of the Company, the Directors have considered each of the principal and emerging risks and uncertainties set out on pages 13 to 16 and the liquidity and solvency of the Company. The Directors have considered the Company's income and expenditure projections and the fact that the Company's investments comprise securities which can be readily realised and could, if necessary, be sold to meet the Company's funding requirements. Portfolio activity and market developments are discussed at quarterly Board meetings. The internal control framework of the Company is subject to a formal review on at least an annual basis.

The Directors do not expect there to be any material increase in the annual ongoing charges of the Company over the Period. The Company's income from investments and cash that can be realised from the sale of its investments provide substantial cover to the Company's operating expenses, and any other costs likely to be faced by the Company over the period of their assessment.

The Chairman's Statement and Investment Manager's Report present a positive long-term investment case for Japanese equities, which also underpins the Company's viability for the period.

This assessment takes into account the impact of the principal and emerging risks highlighted in the Principal and Emerging Risks section on pages 13 to 16.

Based on this assessment, the Directors have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the Period.

Outlook

The outlook for the Company is discussed in the Chairman's Statement on pages 5 and 6 and the Investment Manager's Report on pages 7 and 8.

Strategic Report

The Strategic Report set out on pages 2 to 26 of this Annual Report was approved by the Board of Directors on 21 January 2025.

June Aitken
Chairman

21 January 2025

RISK AND RISK MANAGEMENT

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 these 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 fall into three categories:

- Strategic and business risk,
- Financial and operational risk,
- Regulatory and compliance risk.

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.

During the year under review the Committee was particularly concerned with geopolitical risk with conflicts in both the Middle East and Ukraine impacting investor confidence. Levels of inflation globally started to abate during the year, and interest rates in both the US and the UK have started to fall. By contrast Japan's monetary policy continues to be very accommodative with the Bank of Japan attempting to stimulate inflation. Whilst the differential between Japanese and US rates has narrowed it has still been beneficial for

global investors to borrow in yen and invest in dollar denominated assets. The Committee continues to assess the impact of the exchange rate movements on dividend receipts and to consider the impact of an unwinding of the so called “Yen carry trade”.

The Committee continues to review the processes in place to mitigate risk; and to ensure that these are appropriate and proportionate in the current market environment. The principal risks, together with a summary of the processes and internal controls used to manage and mitigate risks where possible, are outlined on the following pages.



Emerging Risks




A newly installed Republican administration in the US increases the likelihood of a global trade war. The Investment Manager and the Board will continue to monitor closely the impact that any significant increase in global trade tariffs has on Japan's economy. This emerging risk represents both a threat and an opportunity to investors in Japanese equities.

It was announced on 13 December 2024 that following a review of service providers, the Board had appointed Frostrow Capital LLP to provide administration and company secretarial services. The Committee is confident that this new appointment will enhance the accuracy and quality of financial reporting. Frostrow Capital LLP has also been appointed as the Company's AIFM in accordance with the Alternative Investment Fund Managers Directive (“AIFMD”). Whilst the Board believes that a ‘new’ independent AIFM will improve the standard of governance by bringing an additional layer of independent oversight, the Committee is closely monitoring the short-term risks associated with transition to a new provider.

RISK AND RISK MANAGEMENT




continued

Principal Risks	Mitigation	Movement During the Year
<p>Poor investment performance</p> <p>The Company's investment performance depends on the Investment Manager's ability to identify successful investments in accordance with the Company's investment policy.</p> <p>The Company's share price may not always reflect underlying net asset value.</p>	<ul style="list-style-type: none"> - The Investment Manager has a well-defined investment strategy and process which is regularly reviewed by the Board. - The Board monitors the Company's investment performance against its peer group over a range of periods. - Whilst the Company does not have a benchmark, the Board measures performance for reference purposes against the TOPIX and High Yield Indices. At each meeting, the Board discusses the Japanese investment environment, and receives reports on the composition of the portfolio, any recent sales and purchases, and expectations of dividend income. - The Management Engagement Committee reviews the appointment of the Investment Manager on an annual basis. - The Board monitors the share price discount to NAV and has authority to buy back shares. 	
<p>Market Risk</p> <p>Changes in the investment, economic or political conditions in Japan, and/or in the countries in which the Company's investee companies operate could substantially and adversely affect the Company's prospects.</p> <p>In addition to changing economic factors such as interest rates, foreign exchange rates and employment, unpredictable factors such as natural disasters and diplomatic events may impact market risk.</p>	<ul style="list-style-type: none"> - The Directors acknowledge that market risk is inherent in the investment process. The Company maintains a diversified portfolio of quoted investments. - The Board reviews the impact of economic indicators on the portfolio with the Investment Manager at every Board meeting. - The Company's investment policy states that no single holding will represent more than 10 per cent. of the Company's Gross Assets at the time of investment and the portfolio is expected to have between 30 to 40 holdings in normal circumstances. - In addition to receiving regular market updates from the Investment Manager and reports at Board meetings, the Board convenes more often during periods of extreme volatility. - The Company's policy is not to hedge against any foreign currency movements. Income received from investee companies is translated into sterling on receipt. 	

Principal Risks	Mitigation	Movement During the Year
Geopolitical Risk War and conflict can impact investor confidence and threaten global economic growth. Geopolitical instability in the region may increase volatility, reduce economic growth, and affect the prospects of the companies in the portfolio.	<ul style="list-style-type: none"> – The Board discusses the impact of geopolitics on the portfolio with the Investment Manager at every Board meeting. – The increased geopolitical tension between the US and China is both an opportunity and a threat for Japan. – The portfolio is comprised of listed, liquid, realisable securities. – The Company has built up a revenue reserve and the Board regularly reviews the net income available for distribution using the Investment Manager's sensitivity analysis of revenue estimates. – The Company also has a Special Reserve available for distribution in the event of unforeseen revenue shortfall. – The Manager's emphasis on companies which can pay sustainable dividends has helped alleviate the impact. 	
Key Person Risk Loss of investment manager or key personnel. The Departure of any key individuals from the Investment Manager without adequate succession planning could have a material impact on the Company's business.	<ul style="list-style-type: none"> – The Board ensures that adequate resources are in place to manage the Company. – Richard Aston attends all Board meetings, and the Board also meets regularly with other members of the Chikara team. – During the year under review, Chikara have announced the recruitment of another experienced Japanese equity investor to join the team. – The Investment Manager's key individuals are significantly invested in the Company ensuring interests with the Company's shareholders are aligned. 	
Excess leverage The Company uses borrowings to seek to enhance investment returns. While this has the potential to enhance investment returns in rising markets, in falling markets the impact could be detrimental to performance.	<ul style="list-style-type: none"> – An ability to gear is a unique advantage of closed-end companies and structural gearing is a clearly stipulated component of the Company's investment policy. This is highlighted in shareholder communications. – Gearing is monitored and strict restrictions on borrowings are imposed: gearing continues to operate within a limit of 25% of NAV at the time of investment. – The gearing is achieved using derivatives in the form of Contracts for Difference ("CFDs"). Further information on financial instruments and risk can be found in note 2(c) to the Financial Statements beginning on page 57 and in note 16 to the Financial Statements beginning on page 65. 	

RISK AND RISK MANAGEMENT

continued

Principal Risks	Mitigation	Movement During the Year
Cyber Risk Cyber crime or fraud could impact any of the Company's service providers, the Investment Manager, the Depositary or the Administrator. Business interruption could mean service providers are unable to meet their contractual obligations or that information is late, misleading or inaccurate, or data privacy is breached.	<ul style="list-style-type: none"> – The Board has appointed an experienced independent professional Depositary, Custodian and Administrator. – All key service providers produce annual internal control reports for review by the Audit and Risk Committee. These reviews include consideration of their business continuity plans and the associated cyber security risks. – Penetration testing is carried out by the Investment Managers. – Advances in AI and recent events like the CrowdStrike incident have increased vulnerability to cyber attacks. 	
Service Provider Operational Risk Poor performance of appointed services providers including Company Secretary, Depositary, Custodian, Administrator and/or Registrar can result in operational disruption, business interruption or reputational damage.	<ul style="list-style-type: none"> – The performance of appointed professional service providers is closely monitored by the Board to ensure they meet contractual obligations. – The Company Secretary provided a summary of internal controls reports from all service providers. – During the year under review and after assessing competitive alternatives, the Board decided to appoint Frostrow Capital LLP to provide Administration and Company Secretarial Services. The Board is confident that this new appointment will enhance the accuracy and quality of financial reporting. Frostrow Capital LLP has also been appointed as the Company's AIFM in accordance with the Alternative Investment Fund Managers Directive ("AIFMD"). 	
ESG and Climate Change Potential reputational damage from non-compliance with regulations or incorrect disclosures. Climate change leads to additional costs and risks for portfolio companies.	<ul style="list-style-type: none"> – The Company's ESG Policy, which is updated annually, is published on the Company's website and the AIC website. – The Investment Manager's approach is to include ESG factors for consideration in the investment process, such as climate change, where they are relevant and have a material impact on stock performance. – Examples of responsible engagement are detailed on page 18 of the Annual Report. – Chikara Asset Management LLP (the Investment Manager) is a signatory to the UN Principles of Responsible Investment ("PRI") and reports annually according to the PRI reporting framework. – The Investment Manager also complies with the obligations of both the UK Stewardship Code and the Japan Stewardship Code. – Investment trusts are currently exempt from the Task Force on Climate-Related Financial Disclosures ("TCFD") disclosure, but the Board will continue to monitor the situation. 	

APPROACH TO ENVIRONMENTAL, SOCIAL AND GOVERNANCE (“ESG”)

The Board believes that ESG related issues can affect both the performance and sustainability of an investment portfolio and that ESG factors can be potential indicators of management quality and operational performance. Companies with strong, sustainable profiles will, it believes, have greater potential to grow and survive in all market conditions.

The Investment Manager is responsible for engagement on ESG matters and has a structured, yet flexible approach to incorporating ESG into the investment process. Its fundamental, hands-on research approach allows it to integrate seamlessly its responsible investing efforts alongside the Company's investment strategy in an effective manner, which the Board believes will achieve the best long-term results for the Company's investors.

ESG Research

The Investment Manager considers whether ESG factors are relevant and where they may have a material impact on stock performance. The factors considered by the Investment Manager vary by the industry and company under review and may include the following:

- **Environmental:** Pollution, site management / consideration, greenhouse gas emissions, climate change, habitat protection, recycling, water.
- **Social:** Human/employee rights, working conditions, health and safety, firm-employee relations, child / forced labour, conflict zones.
- **Governance:** Board composition, independence, transparency, compensation and accountability, shareholder rights and relations, cyber security, protection of personal data, corruption.

The ESG factors are integrated into the Investment Manager's bottom-up investment process and these issues are considered alongside financial and strategic issues during assessment and engagement with companies. The ESG risks are qualitative factors rather than quantitative inputs in a financial model.

The investment team conducts its own research which is complemented by data and research of third parties. Chikara has engaged a third party ESG and climate data provider, who provides ESG related metrics and analysis. These reports are reviewed by the investment team where available and assist them in identifying potential areas for engagement with companies as it relates to ESG factors. Third party reporting includes Climate Impact Reporting and Norms Based Research.

The Investment Manager has a policy that prohibits investment in a list of companies that manufacture controversial weapons but does not specifically exclude investment in industries or individual companies on standardised ESG factors.

Engagement and Stewardship

A key component of the ESG process is engagement. The Investment Manager dedicates a significant amount of time and resource focusing on the ESG characteristics of the companies in which the Investment Manager invests, and monitoring is carried out through investment reviews.

The strategy of the portfolio has an explicit focus on improving relationships between corporate managers and shareholders in Japan. Consequently, corporate governance is a key point of discussion in every meeting held with company management. The goal in each case is to help the senior representatives of the company develop not only an understanding of the role and requirements of long-term shareholders but also the realisation that their actions must be consistent with mutually determined objectives.

The team at Chikara conducts over 300 meetings and calls a year with the management of many different companies. Engagement serves three main purposes as it relates to ESG:

1. **Due Diligence** – engaging with companies, conducting due diligence, and understanding potential risks and opportunities relating to the investment.
2. **Education** – through engagement with companies, sharing best practices and providing insights into the ESG practices of peers (e.g., disclosures, targets, and benchmarking).
3. **Action** – engaging with companies to encourage disclosures and target setting.

Although the Investment Manager does not seek to agitate management through aggressive behaviour with public disclosures or proposals, it does and will vote on resolutions which it believes are consistent with the future growth and development of the company.

Conversely, the Investment Manager will vote against those that do not, and will be prepared to sell the shareholding if this were deemed to be the most appropriate course of action.

Japan Stewardship Code: The Investment Manager is a signatory to the Japan Stewardship Code and its statement of commitment is set out on its website: <https://www.chikarainvestments.com/japan-stewardship-code>.

APPROACH TO ENVIRONMENTAL, SOCIAL AND GOVERNANCE (“ESG”)

continued

UK Stewardship Code: The Investment Manager is a signatory to the UK Stewardship Code and its statement of compliance with the Code can be found on its website: <https://www.chikarainvestments.com/stewardship-code>.

Principles of Responsible Investment (“PRI”): Chikara became a signatory to the UN-supported Principles for Responsible Investment (“PRI”) on 6 December 2018. The PRI is a global standard for investment managers’ ESG alignment. As a signatory to the Principles, the Investment Manager publicly commits to adopt and implement them, where consistent with its fiduciary

responsibilities. The Principles can be found here: <https://www.unpri.org/about-us/what-are-the-principles-for-responsible-investment>. The Investment Manager also commits to evaluate the effectiveness and improve the content of the Principles over time. It believes this will improve its ability to meet commitments to beneficiaries as well as better align its investment activities with the broader interests of society. Chikara reports annually to the PRI on the firm’s responsible investment initiatives, activities and achievements and seeks to meet the standards expected by the PRI in doing so.

EXAMPLES OF ENGAGEMENT

Company A – Management and Consulting Services Company

Further to our monitoring of Company A following its announcement in May 2022 to invest in a renewable facility, we spoke to the President & CEO in April 2024. Whilst the management had previously indicated that Company A would invest more than 1 billion yen over a maximum of five years, investment so far in FY7/23 was limited to several hundred million yen in a small biomass power generation facility, but visibility of the return on investment (‘ROI’) remained low. Although this project is expected to contribute to the environment and society, we raised our concern about ROI, and thus the need to set and disclose numerical targets. We also suggested that management could improve its communication regarding the medium to long-term vision for investors. We emphasised that it was crucial for Company A’s management to strike the right balance between sustainability and top and bottom-line agenda.

Following our April 2024 engagement on Company A’s disclosure of its renewable energy capital expenditure plan and ROI, we held a follow-up discussion with the President & CEO. During this conversation, it was confirmed that Company A had released relevant updates on its renewable energy investments and actively communicated these developments to investors. Additionally, Company A announced a dividend increase during the FY7/24 full-year results announcement, reflecting management’s confidence in achieving its targets. This announcement was well-received by the market.

We remain in dialogue with management regarding the progress of its renewable energy projects and are pleased with the outcomes of our engagement to date.

Company B – Entertainment Technology Software and Hardware Company

We engaged with Company B to recommend the incorporation of numerical targets within its scenario analysis such as greenhouse gas (‘GHG’) reduction targets and long-term objectives for achieving carbon neutrality. This would enhance transparency and improve visibility of the Company’s sustainability efforts. We will maintain our dialogue with Company B to monitor progress and further developments in these areas.

STAKEHOLDER ENGAGEMENT

This section of the Annual Report covers the Board's considerations and activities in discharging their duties under s.172(1) of the Companies Act 2006, in promoting the success of the Company for the benefit of its members as a whole.

This statement includes consideration of the likely consequences of the decisions of the Board in the longer term, how the Board has taken wider stakeholders' needs into account and the impact of the Company's operations on the environment.

The Board, together with the Investment Manager, sets an overall investment strategy and reviews this on an ongoing basis. In order to ensure good governance of the Company, the Board has set various limits on the investments in the portfolio, including the size of individual holdings, investments in exchange traded funds, and the level of gearing. These limits and guidelines are regularly monitored.

The Board is ultimately responsible for all stakeholder engagement. As an externally managed investment company, the Company does not have any employees; rather it employs external suppliers to fulfil a range of functions, including investment management, secretarial, administration, public and investor relations, corporate broking, depositary and banking services. All these service providers, who are stakeholders in the Company themselves, help the Board to fulfil its responsibility to engage with the shareholders and other stakeholders.

The aim of the Board is to ensure the long-term sustainable success of the Company and in doing so, it has identified the following as the major stakeholders in the Company's business.

Key stakeholders	Why it is important to engage	Engagement and Key Board Decisions
Shareholders	<p>The Board places great importance on maintaining an open dialogue with shareholders who own the Company. This engagement is critical to the continuing successful existence of the Company. The Investment Manager along with the Company's corporate broker regularly meets with the Company's shareholders to provide Company updates and to foster regular dialogue.</p> <p>Feedback from meetings between the Investment Manager and shareholders is communicated to the Board. A fundamental consideration of the Board is whether the investment objective of the Company is continuing to meet shareholder expectations.</p>	<p>The principal forum for communicating with shareholders is the Company's Annual General Meeting ("AGM"), where shareholders have the opportunity to meet with the Board and the Investment Manager to raise any questions and concerns.</p> <p>The Board has appointed an independent research consultancy, Kepler, to ensure that information and news about the Company is regularly available for existing and potential shareholders.</p> <p>The Board reports formally to shareholders twice a year by way of the Annual and Half Yearly Reports. This information is supplemented by the Company's daily publication of the NAV per share, routine ad hoc regulatory announcements, monthly factsheets and other information placed on the Investment Manager's website, including a Key Information Document ('KID'), portfolio disclosures, terms of reference and the Company's share price.</p> <p>The Chairman and Directors are available to meet with shareholders on request. Shareholders wishing to contact the Board may do so by writing to the Company Secretary (cosec@frostrow.com).</p> <p>During the year, the Company's Broker and Investment Manager held regular discussions with larger shareholders.</p> <p>The Company's strategy is validated on a triennial basis, with the last continuation vote held in March 2022, when 99.97% of shareholders voting, voted for the continuation of the Company. The next continuation vote will be proposed at the forthcoming AGM in 2025.</p> <p>The Board has declared a total dividend for the 2024 year of 5.45p per ordinary share, an increase of 2.8% on last year's full year distribution of 5.30p per ordinary share; paid out of income received. The dividend has risen every year since inception.</p>

STAKEHOLDER ENGAGEMENT

continued

Key stakeholders	Why it is important to engage	Engagement and Key Board Decisions
Investment Manager	Chikara is the Company's appointed Investment Manager. The Investment Manager is responsible for the management of the Company's portfolio in accordance with the Company's investment policy and the terms of the Investment Management Agreement.	<p>The Board monitors the Company's investment performance in relation to its objectives and investment policy and strategy. The Board regularly assesses the experience and resources of the Investment Management team and the commitment of the Investment Manager to promote the Company, foster shareholder relations and to ensure that the Company's objective of providing dividend income combined with capital growth for its investors is met.</p> <p>An open and active relationship is maintained with the Investment Manager, at Board meetings, and between meetings as required. Richard Aston has managed the investment portfolio since launch in December 2015.</p> <p>During the year, the Board received regular reports from the team at Chikara who are responsible for marketing the Company.</p> <p>As AIFM to the Company, Chikara's Chief Compliance Officer attended board meetings and reported on compliance processes and controls.</p> <p>The Management Engagement Committee met during the year and unanimously endorsed the continued appointment of the Company's Investment Manager.</p> <p>Key decisions:</p> <p>As detailed in the Chairman's Statement on page 6, the Board has agreed with the Investment Manager that, with effect from 1 November 2024, the Company's management fee is calculated on a tiered basis of 0.75% per annum on the first £300 million of net assets and 0.60% on net assets in excess of £300 million. This compares with the flat fee arrangement of 0.75% per annum on net assets which has been levied since the Company's inception.</p>

Key stakeholders	Why it is important to engage	Engagement and Key Board Decisions
Service Providers	As an externally managed investment trust, the Company conducts all its business through its key service providers. The Board ensures that the appropriate capability, resources, controls and performance record are in place to deliver the required services. Before the engagement of a service provider, the Board ensures that the Service Provider's business outlook as well as its values are similar to those of the Company.	<p>The continued appointment of all service providers is reviewed by the Board on an annual basis to ensure that the Company continues to receive high quality service at a competitive cost.</p> <p>The Board receives comprehensive annual internal control reports from key service providers. The Board also seeks annual assurance from its service providers as regards governance, including whistleblowing, prevention of tax evasion and anti-bribery policy and cyber security procedures.</p> <p>Key decisions:</p> <p>During the year, the Board conducted a review of the current fund administration and company secretarial service providers. After assessing competitive alternatives, the Board decided to appoint Frostrow Capital LLP to provide Administration and Company Secretarial Services. Frostrow has also been appointed as the Company's AIFM in accordance with the Alternative Investment Fund Managers Directive ("AIFMD"), for the purpose of providing portfolio management and risk management services to the Company. The Board is confident that this new appointment will be in the interests of all Stakeholders and put the CC Japan Income & Growth Trust plc in a strong position to grow.</p> <p>At the AGM, shareholders approved the appointment of the Auditor, Johnston Carmichael LLP who has provided independent audit services to the Company for the second time this year.</p>

STAKEHOLDER ENGAGEMENT

continued

Key stakeholders	Why it is important to engage	Engagement and Key Board Decisions
Wider community and environment	<p>The Company and its appointed professional suppliers keep abreast of the rules and regulations affecting the investment company sector.</p> <p>The Investment Manager, Chikara, as steward of the Company's assets, engages with investee companies to ensure high standards of governance. The investment strategy of the Company is predicated upon the improving standards of shareholder governance in Japan and the commitment of investee companies to act in the interests of all stakeholders.</p>	<p>The Company Secretary and AIFM regularly report to the Board any changes in the regulatory environment. As Association of Investment Company ("AIC") members, the Board draws on their resources including the detailing of regulatory changes.</p> <p>The Company has articulated its policy on ESG factors involved in the investment decision-making and evidence of constructive engagement with investee companies. See pages 17 and 18.</p> <p>The ESG policy is available on both the Company's website and the AIC's website.</p> <p>The Investment Manager is committed to being a responsible investor and applies, and is a signatory to, the United Nations Principles for Responsible Investment (PRI), which demonstrates its extensive efforts in terms of ESG integration, active ownership, investor collaboration and transparency.</p> <p>The Investment Manager is a listed signatory to the UK Stewardship Code 2020 and the Japan Stewardship Code. Further information on Chikara's approach to the principles and guidance of the 2020 Japan Stewardship Code can be found on their website: https://www.chikarainvestments.com/legal-disclosures.</p> <p>The Board reviewed the governance engagement reports and discussed the voting record with the Investment Manager.</p>

The Directors are cognisant of their duties laid out under Section 172 of the Companies Act 2006 to make decisions taking into account the long-term consequences of all the Company's key stakeholders and reflect the Board's belief that the long-term sustainable success of the Company is linked directly to its key stakeholders.

For and on behalf of the Board

June Aitken
Chairman

21 January 2025

HOLDINGS IN PORTFOLIO

AS AT 31 OCTOBER 2024

Company	Main Business Area	Tokyo Stock Exchange ("TSE") Sector	Market value £'000	% of net assets
Sumitomo Mitsui Financial Group	Banks	Banks	18,532	7.0
Mitsubishi UFJ Financial Group	Banks	Banks	13,122	4.9
Itochu	Trading Company	Wholesale	11,577	4.4
Nintendo	Gaming	Other Products	10,879	4.1
Softbank	Mobile Telecoms & Services	Information & Communications	10,829	4.1
Tokio Marine Holdings	Insurance	Insurance	10,109	3.8
Shin-Etsu Chemical	Silicon Wafers & PVC	Chemicals	9,862	3.7
Hitachi	IT & Infrastructure	Electrical Appliances	9,260	3.5
Tokyo Metro	Land Transport	Land Transport	9,218	3.5
Japan Securities Finance	Specialist Financial Services	Other Financing Business	9,025	3.4
SBI Holdings	Financial Services & Investment	Securities & Commodities	9,000	3.4
Mitsubishi	Trading Company	Wholesale	8,582	3.2
Zozo	Online Fashion Retail	Retail Trade	8,474	3.2
Nissan Chemical Industries	Functional Materials	Chemicals	7,332	2.8
Noevir	Cosmetics	Chemicals	6,600	2.5
JAFCO	Venture Capital	Other Financing Business	6,225	2.3
Dexerials	Functional Materials	Chemicals	5,777	2.2
Nitto Denko	Functional Materials	Chemicals	5,680	2.1
Nippon Parking Development	Real Estate	Real Estate	5,473	2.1
DIP	Online Recruitment	Services	5,435	2.0
ARE Holdings	Recycling	Precious Metals	5,425	2.0
Tokyo Electron	Semiconductor Production Equipment	Electrical Appliances	5,312	2.0
Sompo Holdings	Insurance	Insurance	5,008	1.9
Nippon Gas	Utilities	Electric Power & Gas	4,745	1.8
En-Japan	Online Recruitment	Services	4,740	1.8
Mani	Medical Devices	Precision Instruments	4,618	1.7
Kao	Cosmetics & Toiletries	Chemicals	4,617	1.7

HOLDINGS IN PORTFOLIO

continued

Company	Main Business Area	Tokyo Stock Exchange ("TSE") Sector	Market value £'000	% of net assets
Tokyo Ohka Kogyo	Semiconductor Production Materials	Chemicals	4,537	1.7
Denso	Automotive Components	Transport Equipment	4,360	1.6
Pillar	Industrial Materials	Machinery	4,344	1.6
Technopro Holdings	Engineer Outsourcing	Services	4,171	1.6
Macnica Holdings	Semiconductor Trading	Wholesale	4,102	1.5
Carta Holdings	Online Marketing	Information & Communications	3,884	1.5
Kyocera	Electronic Components	Electrical Appliances	3,567	1.3
Socionext	Semiconductor Solutions	Electrical Appliances	3,302	1.2
GMO Internet	Internet Services	Information & Communications	2,673	1.0
Shoei	Motorbike Helmets	Other Products	2,493	1.0
Aoyama Zaisan Networks	Property Consulting	Real Estate	2,287	0.9
Nareru Group	Engineer Outsourcing	Construction	589	0.2
Total holdings			255,765	96.2
Other net assets			7,363	2.8
Royal London Short-Term Money Market Fund Open-End Fund	Cash and cash equivalents	–	2,713	1.0
Net asset value			265,841	100.0

TOP TEN (TOKYO STOCK EXCHANGE ("TSE") SECTOR)

AS AT 31 OCTOBER 2024

TSE Sector	% of net assets
Information & Communications	14.9
Chemicals	14.6
Banks	11.9
Wholesale	7.6
Electrical Appliances	6.7
Insurance	5.7
Other Financing Business	5.7
Other Products	5.1
Retail Trade	5.0
Securities & Commodities	4.4
Top Ten	81.6
Other Sectors ¹	14.6
Other net assets	3.8
Total	100.0

¹ Other Sectors comprise 8 sectors, which individually, is less than 4.4% each of the net assets.

TOP TEN (MAIN BUSINESS AREAS)

AS AT 31 OCTOBER 2024

Main Business Area	%
Banks	11.9
Other Financial Services	9.1
Trading Companies	7.6
Semiconductor Related	6.4
Functional Materials	7.1
Insurance	5.7
Recruitment & Staffing	5.6
Telecom & Internet	5.1
Cosmetics & Toiletries	4.2
Gaming	4.1
Top Ten	66.8
Other Main Business Areas	29.4
Other net assets	3.8
Total	100.0

TOP TEN CONTRACTS FOR DIFFERENCE (“CFDs”)

AS AT 31 OCTOBER 2024

Company	Main Business Area	TSE Sector	Absolute value £'000	Absolute value as a % of net assets	Market value £'000
Sumitomo Mitsui Financial Group	Banks	Banks	3,706	1.4	618
Mitsubishi UFJ Financial Group	Banks	Banks	2,624	1.0	614
Itochu	Trading Company	Wholesale	2,316	0.9	534
Nintendo	Gaming	Other Products	2,176	0.8	409
Softbank	Mobile Telecoms & Services	Information & Communications	2,166	0.8	129
Tokio Marine Holdings	Insurance	Insurance	2,022	0.8	552
Shin-Etsu Chemical	Silicon Wafers & PVC	Chemicals	1,972	0.7	173
Hitachi	IT & Infrastructure	Electrical Appliances	1,852	0.7	573
Tokyo Metro	Land Transport	Land Transport	1,844	0.7	29
Japan Securities Finance	Specialist Financial Services	Other Financing Business	1,805	0.7	447
Top Ten CFDs			22,483	8.5	4,078
Other CFDs			28,670	10.7	3,932
Total CFDs			51,153	19.2	8,010

The Strategic Report set out on pages 2 to 26 of this Annual Report was approved by the Board of Directors on 21 January 2025.

June Aitken
Chairman

21 January 2025

DIRECTORS' REPORT

The Directors present their report and accounts for the year ended 31 October 2024.

Strategic report

The Directors' Report should be read in conjunction with the Strategic Report on pages 2 to 26.

Corporate governance

The Corporate Governance Statement on pages 32 to 37 forms part of this report.

Legal and taxation status

The Company is an investment company within the meaning of Section 833 of the Companies Act 2006. The Company conducts its affairs to meet the requirements for approval as an investment trust under section 1158 of the Corporation Tax Act 2010. In the opinion of the Directors, the Company has met the conditions and requirements for approval as an investment trust for the year ended 31 October 2024 and intends to continue to do so.

Management

Chikara Investments LLP has been appointed as the Company's Investment Manager. Chikara is authorised and regulated by the Financial Conduct Authority.

The Investment Management Agreement is subject to not less than six months' written notice. There is no compensation payable on termination of the agreement. The Board has agreed with the Investment Manager that, with effect from 1 November 2024, the Company's management fee is calculated on a tiered basis of 0.75% per annum on the first £300 million of net assets and 0.60% on net assets in excess of £300 million. This compares with the flat fee arrangement of 0.75% per annum on net assets which has been levied since the Company's inception.

In accordance with the Directors' policy on the allocation of expenses between revenue and capital, 80% of the management fee is charged to capital and the remaining 20% to revenue.

The Board reviews this policy on a periodic basis and confirms this allocation remains consistent with their expectations of future returns from the portfolio.

Management engagement

The Board carefully reviewed the Investment Manager's appointment during the year. The Directors are satisfied that the Investment Manager has the suitable skills and experience to manage the Company's investments and believe that the continuing appointment of the Investment Manager is in the interests of shareholders as a whole. Since inception, the Company has met its objectives set out in the prospectus in relation to

the annual dividend, which has risen every year since inception.

AIFM, Administrator and Company Secretary

This year the Board conducted a review of its operational arrangements. Following the completion of that review, the Board appointed Frostrow Capital LLP ("Frostrow") with effect from 1 January 2025 as its Alternative Investment Fund Manager ("AIFM"), Administrator and Company Secretary. Frostrow has also been appointed to provide investor relations and marketing services to the Company, alongside the team at Chikara. Frostrow's appointment will improve the standard of governance by providing an additional level of independent oversight. In consequence of this appointment, the Company's registered office has changed to 25 Southampton Buildings, London WC2A 1AL.

Alternative Investment Fund Managers Directive ("AIFMD")

During the reporting year and until 1 January 2025, Chikara has fulfilled the role as the Company's AIFM, in accordance with the Alternative Investment Fund Managers Directive ("AIFMD"). With effect from 1 January 2025, Frostrow has been appointed as the Company's AIFM.

The AIFM must ensure that an annual report containing certain information on the Company is made available to investors for each financial year. The FCA Investment Funds Sourcebook (the "Sourcebook") details the requirements of the annual report. All the information required by those rules is included in this Annual Report or will be made available on the Company's website: (www.ccjapanincomeandgrowthtrust.com/ccji-documents/report-accounts).

The AIFM is required to make certain disclosures on its remuneration in respect of the AIFM's relevant reporting period which is the year ended 31 December 2023. These disclosures are available on the website (<https://www.chikarainvestments.com/aifm-remuneration-disclosure>) or are available on request from the AIFM.

Leverage (under AIFMD)

The AIFM is required to set leverage limits as a percentage of net assets for the Company utilising methods prescribed under AIFMD. These methods are known as the gross method and the commitment method. Under both methods the AIFM has set current maximum limits of leverage for the Company of 200%. A leverage percentage of 100% equates to nil leverage.

DIRECTORS' REPORT continued

The Company's leverage under each of these methods at its year end is shown below:

	Gross method ¹	Commitment method ¹
Maximum leverage limit	200%	200%
Actual leverage at 31 October 2024	118%	118%

1 Alternative Performance Measure, see glossary and alternative performance measures on pages 73 to 77.

Dividend policy

The Company intends to pay dividends on a semi-annual basis, with dividends normally declared in January/February and June and paid in March and July/August each year.

In accordance with regulation 19 of the Investment Trust (Approved Company) (Tax) Regulations 2011, the Company will not (except to the extent permitted by those regulations) retain more than 15% of its income (as calculated for UK tax purposes) in respect of an accounting year.

In order to increase the distributable reserves available to facilitate the payment of future dividends, the amount standing to the credit of the share premium account of the Company immediately following completion of the first issue of ordinary shares on 15 December 2015 was cancelled and transferred to a special distributable reserve. The Company may, at the discretion of the Board, pay all or part of any future dividends out of this special distributable reserve, taking into account the Company's investment objective.

Dividends will normally be funded through distributions from portfolio companies including dividends and other distributions, taking account of share buybacks by portfolio companies.

The Company declared an interim dividend of 1.60p per ordinary share in June 2024 which was paid on 2 August 2024. On 17 January 2025, the Directors declared a second interim dividend in respect of the year ended 31 October 2024 of 3.85p per ordinary share, which, will be paid on 3 March 2025, to shareholders on the register at 31 January 2025.

General authority to issue shares

A general authority to issue up to 13,473,061 ordinary shares and to disapply pre-emption rights when issuing those shares was granted at the Company's last Annual General Meeting. This authority will expire at the time of the Annual General Meeting to be held in March 2025. During the year ended 31 October 2024, the Company did not utilise its authority to issue shares. However,

the Board recommends that the Company is granted a new authority to issue up to a maximum of 13,473,061 ordinary shares (representing approximately 10% of the shares in issue at the date of this document) and to disapply pre-emption rights when issuing those ordinary shares. Resolutions to this effect will be put to shareholders at the Annual General Meeting.

Any ordinary share issues will be issued at a premium to cum-income NAV.

Treasury shares

The Companies Act allows companies to hold shares acquired by way of market purchases to be held as Treasury shares, rather than having to cancel them. This would give the Company the ability to re-issue ordinary shares quickly and cost effectively, thereby improving liquidity and providing the Company with additional flexibility in the management of its capital base. No ordinary shares will be sold from Treasury at a price less than the cum-income NAV per existing ordinary share at the time of their sale unless they are first offered pro rata to existing shareholders.

No ordinary shares were bought back during the year ended 31 October 2024 and no ordinary shares are currently held in Treasury.

Discount management

The Directors recognise the importance to existing shareholders of the Company's shares not trading at a significant discount to their prevailing NAV. To the extent that the ordinary shares trade at a significant discount to their prevailing NAV, the Board will consider whether, in the light of the prevailing circumstances, the Company should purchase its own ordinary shares, whether pursuant to the general authority referred to below or pursuant to tender offers made on appropriate terms.

There is, however, no guarantee or assurance that any discount control mechanisms proposed by the Board will reduce any discount.

The Directors currently have the authority to make market purchases of up to 20,196,118 ordinary shares. The maximum price (exclusive of expenses) which may be paid for an ordinary share must not be more than the higher of: (i) 5 per cent. above the average of the mid-market values of the ordinary shares for the five Business Days before the purchase is made; or (ii) the higher of the price of the last independent trade and the highest current independent bid for the ordinary shares. Ordinary shares will be repurchased only at prices below the prevailing NAV per ordinary share, which should have the effect of increasing the NAV per ordinary share for remaining shareholders.

It is intended that a renewal of the authority to make market purchases will be sought from shareholders at

each Annual General Meeting of the Company and such a resolution will put forward at the forthcoming Annual General Meeting. Purchases of ordinary shares will be made within guidelines to be established from time to time by the Board. Any purchase of ordinary shares would be made only out of the available cash resources of the Company and when shares are trading at a price that is below the then prevailing NAV per ordinary share. Ordinary Shares purchased by the Company may be held in Treasury or cancelled.

Purchases of ordinary shares may be made only in accordance with the Companies Act, the Listing Rules and the Disclosure Guidance and Transparency Rules.

Life of the Company

The Company has no fixed life but, pursuant to the Articles of Association, an ordinary resolution for the continuation of the Company will be proposed at the Annual General Meeting every three years. The last continuation vote was in March 2022 and was supported by 99.97% of those shareholders who voted. The next continuation vote will be proposed at the AGM to be held on 3 March 2025. Upon any such resolution not being passed, within 90 days proposals will be put forward to the effect that the Company be wound up, liquidated, reconstructed or unitised.

Market information

The Company's ordinary shares are admitted to the closed-ended investment funds category of the Official List of the FCA and are traded on the main market of the London Stock Exchange. The daily NAV per share is published through a regulatory information service.

Bank overdraft facility

The Company has a bank overdraft facility with The Northern Trust Company. Under the terms of the facility a maximum of £12 million, or the equivalent in Japanese yen, can be drawn down. As at the year-end date, none (2023: the equivalent of £3,180,000) of the overdraft facility was utilised on the Japanese yen bank account.

Derivatives

The Company may use long only contracts for difference ("CFDs") or equity swaps for gearing and efficient portfolio management purposes. Where the Company uses such instruments, it takes a credit risk with regard to the parties with whom it trades and may also bear the risk of settlement default.

As at 31 October 2024, the Company held contracts for difference with an absolute exposure of £51,153,000 (2023: £46,397,000).

Financial instruments

The financial instruments of the Company generate liquidity risk, credit risk and market risk. An explanation

of these risks and how they are managed; and the policy and practice with regard to financial instruments are contained in note 16 of the financial statements.

Depository and custodian

The depository is the entity we are required by regulation to appoint to carry out certain services in relation to the Company, namely, safekeeping of the assets, cash monitoring and regulatory oversight. The trustee and depository of the Company is Northern Trust Investor Services Limited ("NTISL"). NTISL is a company established in England and Wales and is authorised by the FCA to be a trustee and depository.

Capital structure and voting rights

At the financial year end, the Company's issued share capital comprised 134,730,610 ordinary shares of 1p nominal value. Each ordinary share held entitles the holder to one vote. All shares carry equal voting rights and there are no restrictions on those voting rights.

Voting deadlines are stated in the Notice of Annual General Meeting and Form of Proxy and are in accordance with the Companies Act 2006.

There are no restrictions on the transfer of ordinary shares, nor are there any limitations or special rights associated with the ordinary shares.

Significant Shareholders

As at 31 October 2024, the Directors have been formally notified of the following shareholdings comprising 3% or more of the issued share capital of the Company in accordance with DTR 5 (The Disclosure and Guidance Transparency Directive):

Significant Shareholders	Holding	%
1607 Capital Partners LLC	15,941,741	11.8
Rathbone Investment Management Ltd	13,404,704	10.0
Christ Church College, Oxford University	8,706,850	6.5
Close Asset Management Limited	6,778,757	5.0
City of London Investment Management Company Limited	6,589,431	4.9
WM Thomson	6,454,660	4.8
Charles Stanley Group PLC	5,689,763	4.2
J M Finn Nominees Limited	5,455,300	4.1
Brooks Macdonald Asset Management Limited	4,725,154	3.5

DIRECTORS' REPORT continued

Since the year end, the Company has been notified by 1607 Capital Partners that it has reduced its holding in the Company to 14,744,261 ordinary shares, or 10.9% of the issued share capital of the Company.

Settlement of ordinary share transactions

Settlement of ordinary share transactions in the Company are settled by the CREST share settlement system.

Political donations

The Company does not make political donations.

Notice of general meetings

For the Annual General Meeting at least twenty-one days' notice shall be given to all the members and to the auditors. All other general meetings shall also be convened by not less than twenty-one days' notice to all those members and to the auditors. A special resolution will be proposed at the Annual General Meeting to renew the authority to reduce the period of notice for General Meetings to fourteen days. Reduced notice will be used only under exceptional circumstances.

Going concern

The Directors have adopted the going concern basis in preparing the Company's accounts. The following is a summary of the Directors' assessment of the going concern status of the Company, which should be read in conjunction with the Viability Statement on pages 11 and 12.

The Company's ability to continue as a going concern is for the period assessed by the Directors, being the period to 31 January 2026, which is at least 12 months from the date the financial statements were authorised for issue.

The going concern assessment took account of wars in Ukraine and the Middle East; the increase in geopolitical tension between the US and China and the potential for increases in global trade tariffs. The Company's principal risks are market-related and the recent volatile market conditions have demonstrated the resilience of the Company and its investment objective and policy. An explanation of the market, liquidity and credit risks and how they are managed is contained in note 16 to the financial statements.

The Directors have also 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 31 October 2024 were £265.8 million (2023: £235.1 million). As at 31 October 2024, the Company held approximately £258.5 million in quoted investments (2023: £232.0 million) and had cash of £4.0 million (2023: £0.3 million). The results of liquidity stress tests indicate that even in an extreme stress scenario

where the market falls by 70%, the Company would be able to liquidate 84% of holdings within seven days and 99% of holdings within 30 days.

The total expenses (excluding finance costs and taxation) for the year ended 31 October 2024 were £2.8 million (2023: £2.4 million), which represented approximately 1.03% (2023: 1.06%) of average net assets during the year. At the date of approval of this report, based on the aggregate net assets of investments and cash held, the Company has substantial operating expenses cover.

The Directors have fully considered and assessed the Company's portfolio of investments. A prolonged and deep market decline could lead to falling values of the investments or interruptions to cash flow. However, the Company currently has more than sufficient liquidity available to meet 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. Accordingly, a continuation vote will be proposed at the AGM on 3 March 2025. The Board is confident that shareholders will support the continuation vote.

Appointment and replacement of Directors

The rules governing the appointment and replacement of Directors are contained in the Company's Articles of Association which require that Board members retire at every third AGM after appointment. However, the Board has agreed that all Directors will be subject to annual re-election.

If a Board member does not put themselves forward for re-election at the Annual General Meeting, or the resolution to re-elect them to the Board fails, they will step down. Furthermore, the Board may determine that a Board member may decide to step down at any time.

No Board member is subject to compensation for loss of office.

Articles of Association

Any amendment of the Company's Articles of Association requires shareholder approval.

Directors' indemnities

Details on the Directors' indemnities in place are provided in the Directors' Remuneration Implementation Report.

Auditor information

Each of the Directors at the date of the approval of this report confirms that:

- (i) so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- (ii) the Director has taken all steps that they ought to have taken as Director to make themselves aware of any relevant information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

In accordance with Section 489 of the Companies Act 2006, a resolution to re-appoint Johnston Carmichael LLP as the Company's auditor will be put forward at the forthcoming Annual General Meeting.

Future trends

Details of the main trends and factors likely to affect the future development, performance and position of the Company's business can be found in the Investment Manager's Report section of this Strategic Report on pages 7 and 8. Further details as to the risks affecting the Company are set out in the 'Principal and Emerging Risks and Uncertainties' on pages 13 to 16.

Annual General Meeting

The Company's forthcoming AGM will be held at 12 noon on 3 March 2025. The Notice of the AGM can be found on pages 81 to 82 of this Annual Report and downloaded from the website.

By order of the Board

Frostrow Capital LLP
Company Secretary

21 January 2025

CORPORATE GOVERNANCE

Introduction

The Listing Rules and the Disclosure Guidance and Transparency Rules of the UK Listing Authority ("Listing Rules") require listed companies to disclose how they have applied the principles and complied with the provisions of the UK Corporate Governance Code 2018 (the "UK Code"), as issued by the Financial Reporting Council ("FRC"). The UK Code can be viewed on the FRC's website.

The Board of the Company has considered the Principles and Provisions of the 2019 Association of Investment Companies Code of Corporate Governance (the "AIC Code"). The AIC Code addresses the Principles and Provisions set out in the UK Code, as well as setting out additional Provisions on issues that are of specific relevance to the Company, as an investment trust. The AIC Code is available on the AIC website (www.theaic.co.uk). It includes an explanation of how the AIC Code adapts the Principles and Provisions set out in the UK Code to make them relevant for investment companies.

The Board considers that reporting against the Principles and Provisions of the AIC Code, which has been endorsed by the FRC, provides more relevant information to the Company's shareholders. AIC members who report against the AIC Code fully meet their obligations under the UK Code and the related disclosure requirements contained in the Listing Rules.

During the financial year ended 31 October 2024, the Company complied with the recommendations of the AIC Code and the relevant provisions of the UK Corporate Governance Code, except as set out below.

The UK Corporate Governance Code includes provisions relating to:

- (i) the role of a chief executive;
- (ii) executive Directors' remuneration; and
- (iii) the need for an internal audit function.

The Board considers that these provisions are not relevant to this externally managed investment company. The Company has no employees and the day-to-day management and administrative functions are outsourced to third parties.

The Board of Directors

As at 31 October 2024, the Company had four Non-Executive Directors including the Chairman, comprising two male (50%) and two female (50%) directors. Biographical details can be found on pages 32 and 33.

At the conclusion of the AGM on 5 March 2024, Harry Wells retired as Non-Executive Chairman of the Board, having served on the Board since launch in December 2015. June Aitken, who joined the Board in February 2022, was appointed by the Board to succeed Harry Wells as Chairman of the Board with effect from her re-election as a Director at the Company's AGM on 5 March 2024.

Craig Cleland, who joined the Board in February 2022, is the Senior Independent Director ('SID'), having been appointed to succeed June Aitken in this role on 5 March 2024. Craig was appointed to the role of Chairman of the Nomination Committee in October 2024. Kate Cornish-Bowden is the Audit and Risk Committee Chairman.

All Directors, including the Chairman, June Aitken, are regarded as independent of the Company's Investment Manager.

The Board believes that during the year ended 31 October 2024 its composition was appropriate for an investment company of the Company's nature, meeting both gender and ethnic diversity guidelines. Further information can be found on pages 34 and 35.

All of the Directors are able to allocate sufficient time to the Company to discharge their responsibilities effectively.

The Directors have a broad range of relevant experience to meet the Company's requirements, and their biographies are given below:

June Aitken (Chairman)

Appointed on 1 February 2022

June has over 30 years of experience in Asian and emerging equity markets, and held numerous senior roles at HSBC Bank plc, London and at UBS AG. June is a Non-Executive Director and Chairman of the Audit Committee of JPMorgan Asia Growth and Income plc, BBGI Global Infrastructure S.A., and Schroder Income Growth Fund plc.

June was previously on the board of HSBC Bank Japan, Aquarius Fund, an Asian fixed income fund, Australian Securities Exchange listed Emerging Markets Masters Fund and the Asian Masters Fund Limited, Erudine Holdings Ltd, a financial software consultancy firm and the Shepherds Bush Housing Group. She was a founding partner and investor of Osmosis Investment Management LLP. June holds a degree in Politics, Philosophy and Economics from Oxford University.

Kate Cornish-Bowden (Director and Chairman of the Audit and Risk Committee)

Appointed on 3 September 2018

Kate worked for Morgan Stanley Investment Management for 12 years, where she was a Managing Director and head of Morgan Stanley Investment Management's Global Core Equity business. Prior to joining Morgan Stanley, Kate worked for M&G Investment Management as a research analyst. Kate is a Non-Executive Director and Chairman of International Biotechnology Trust plc, a Non-Executive Director of Finsbury Growth & Income Trust plc and Senior Independent Director of European Assets Trust plc.

Kate was formerly a Non-Executive Director and Senior Independent Director of Schroder Oriental Income Fund Ltd. Kate is an Associate of the Institute of Investment Management and Research (formerly AIMR, now Chartered Financial Analyst Institute), holds a Master's in Business Administration (MBA), and has completed the Financial Times Non-Executive Director Diploma. She is also a Mentor for The Prince's Trust.

Craig Cleland (Director)

Appointed on 1 February 2022

Craig has over 35 years of investment trust and fund management experience. Since 2013, he has been Head of Corporate Development: Investment Trusts (on a part-time basis) at CQS (UK) LLP, a multi-asset asset management firm in London business with a focus on credit markets. He is also a Non-Executive Director of Invesco Global Equity Income Trust plc and BlackRock Latin American Investment Trust. Craig also served as a member of the AIC Technical Committee for 10 years and is an Associate of the Institute of Bankers in Scotland. Craig was a Managing Director at JPMorgan Asset Management (UK) Limited as a Client Director of their investment trust business. He was also Director and Senior Company Secretary at Fleming Investment Trust Management, transferring to JPMorgan Chase after the acquisition of Robert Fleming Holdings Limited.

John Charlton-Jones (Director)

Appointed on 1 October 2023

John has 36 years of experience working with institutions who invest in the Japanese stock market, as a stockbroker working first for James Capel/HSBC, and then for CLSA (UK) Limited, in both cases becoming Managing Director of Japan equity sales across UK/Europe for over 15 years. During this time, he spent five years living in Tokyo. John holds a degree in History from Cambridge University. He is also a Trustee of the Daiwa Anglo-Japanese Foundation.

Responsibilities of the Chairman, the Board, and its Committees

The Chairman leads the Board and is responsible for its overall effectiveness in directing the affairs of the

Company. The Company has adopted a document setting out the responsibilities of the Chairman.

Tenure, Independence and Succession

Generally, Directors are initially appointed by the Board, until the following AGM when, as required by the Company's Articles of Association, they will stand for election by shareholders. All Directors will stand for annual re-election on a voluntary basis.

The Board recognises the benefits to the Company of having longer serving Directors together with progressive refreshment of the Board. The Board does not believe that length of service in itself necessarily disqualifies a Director from acting independently.

However, the Board will take into account the requirements of the AIC Code when making a recommendation for a Director's reappointment. Accordingly, the Board may decide to recommend a director with more than nine years' service for re-election at the Company's AGM. In order to ensure continuity, the Board has adopted corporate governance best practice and has a succession plan in place that allows for gradual refreshment.

No Director of the Company has served for nine years or more and all Directors remain independent of the Company's Investment Manager. However, the Board is mindful of when the Board members will reach their ninth anniversary.

Induction and Training

On appointment, each Director receives a complete induction programme including the opportunity to meet with the Investment Manager and other service providers. The Directors receive other relevant training as necessary.

A procedure has been adopted for Directors, in the furtherance of their duties, to take independent professional advice at the expense of the Company. Copies of the Directors' appointment letters are available on request from the Company Secretary.

Board committees

Audit and Risk Committee

A report on pages 42 to 44 provides details of the role and composition of the Audit and Risk Committee together with a description of the work of the Audit and Risk Committee in discharging its responsibilities.

Management Engagement Committee

The Company has a Management Engagement Committee which is chaired by the Chairman of the Board, June Aitken, and consists of all the Directors. The Management Engagement Committee's principal duties are to consider the terms of appointment of the Investment Manager and to review annually

CORPORATE GOVERNANCE continued

the appointment and the terms of the Investment Management Agreement. The Management Engagement Committee also reviews the continued appointment and performance of the Company's other service providers.

Nomination Committee

The Company also has a Nomination Committee which is chaired by the Senior Independent Director, Craig Cleland. The Nomination Committee is responsible for identifying and proposing candidates for the office of Director of the Company. The Nomination Committee also considers and reviews remuneration payable to the Directors and makes recommendations regarding Directors' fees to the Board.

The terms of reference for these committees can be found on the Company's website: <https://ccjapanincomeandgrowthtrust.com>.

Board diversity

The Company's policy is that the Board should have an appropriate level of diversity in the boardroom, taking into account relevant skills, experience, gender, social and ethnic backgrounds, cognitive and personal strengths. Brief biographies of the Directors are shown on pages 32 and 33. The policy is to ensure that the Company's Directors bring a wide range of knowledge, experience, skills, backgrounds and perspectives to the Board. There will be no discrimination on the grounds of gender, religion, race, ethnicity, sexual orientation, age or physical ability. The overriding aim of the policy is to ensure that the Board is composed of the best combination of people for ensuring effective oversight of the Company and constructive support and challenge to the Investment Manager. Consideration is given to the recommendations of the AIC Code and the Board supports the recommendations of the Hampton Alexander review, the more recent FTSE Women Leaders review and the Parker review.

The Board appraises its collective set of cognitive and personal strengths, independence and diversity on an annual basis, and especially during the recruitment process, so as to ensure it is aligned with the Company's

strategic priorities. The performance appraisal process is described below. The Board believes its composition is appropriate for the Company's circumstances. However, in line with the Board's succession planning and tenure policy, or should strategic priorities change, the Board will review and, if required, adjust its composition.

As at date of this Report, the Board comprises two female and two male Board members.

The Board takes account of the FCA's listing rule (UKLR6.6.6R (9)(a)) concerning public disclosures on whether a company has met the following targets on board diversity:

- a) at least 40% of individuals on the board are women;
- b) at least one of the senior board positions (defined by the FCA as either the chair, senior independent director, chief executive or chief financial officer) is held by a woman; and
- c) at least one individual on the board is from a minority ethnic background.

As at 31 October 2024, the Board meets the criteria of all three targets as a) 50% of the Board are women, b) the role of Chair of the Board is held by a woman, and c) one Board member is from a minority ethnic background.

The below tables set out the diversity data required under UKLR6.6.6R (10) as at 31 October 2024. As an externally managed investment company, the Board employs no executive staff, and therefore does not have a chief executive officer (CEO) or a chief financial officer (CFO), both of which are deemed to be senior board positions by the FCA. Although not defined as such under UKLR6.6.6R (9)(a), the Board considers the Chair of the Audit and Risk Committee to be a senior board position, given the nature of the Company as an investment trust, the importance of the position and the time it commands. The following information has been provided by each Director. There have been no changes since 31 October 2024.

Board Diversity as at 31 October 2024

Gender	Number of Board members	Percentage of the Board	Number of senior positions on the Board
Men	2	50%	1 ¹
Women	2	50%	1 ²
Prefer not to say	–	–	–

1 Craig Cleland is Senior Independent Director.

2 June Aitken is Chairman of the Board.

Ethnic background	Number of Board members	Percentage of the Board	Number of senior positions on the Board
White British or Other White (including minority-white groups)	3	75%	1 ¹
Asian/Asian British	1	25%	1 ²
Prefer not to say	–	–	–

1 Craig Cleland is Senior Independent Director.

2 June Aitken is Chairman of the Board.

Meeting attendance

The number of formal meetings of the Board and Committees held during the year ended 31 October 2024 was as follows, together with individual Directors' attendance at those meetings.

	Quarterly Board	Audit and Risk Committee	Management Engagement Committee	Nomination Committee
Number of meetings held	4	3	1	2
June Aitken	4	3	1	2
Kate Cornish-Bowden	4	3	1	2
Craig Cleland	4	3	1	2
John Charlton-Jones	4	3	1	2
Harry Wells ¹	2	1	0	1

1 Harry Wells retired from the Board on 5 March 2024.

Several other ad hoc Board and Committee meetings were held during the year to deal with administrative matters, board selection, market updates and approve documentation.

Performance appraisal

A performance review of the Investment Manager was undertaken using a programme of open and closed ended questions from each of the Board members which were reviewed by the Chairman of the Management Engagement Committee and discussed with the Board. The results were considered, and the Board concluded that the continued appointment of the Investment Manager was in the best interests of the Company's shareholders.

The Committee separately considered each of its other service providers. As disclosed in the Chairman's Statement on page 5 and in the Directors' Report on page 27 and the Company's London Stock Exchange announcement on 17 December 2024, the Board has appointed Frostrow Capital LLP ('Frostrow') with effect from 1 January 2025 as its Alternative Investment Fund Manager ('AIFM'), Administrator and Company Secretary. Frostrow has also been appointed to provide investor relations and marketing services to the Company, alongside the team at Chikara. Frostrow's appointment will improve the standard of governance by providing an additional level of independent oversight.

A formal annual performance appraisal process is performed on the Board, the committees and the individual Directors. A programme consisting of open and closed-ended questions was used as the basis for this appraisal. The results were reviewed by the Chairman of the Nomination Committee and discussed with the Board. A separate appraisal of the Chairman has been carried out by the other members of the Board and the results reported back by the Senior Independent Director to the Chairman. The results of the performance evaluation were positive and demonstrated that the Board, Chair, Committee Chairs and individual Directors showed the necessary commitment and have the requisite experience for the fulfilment of their duties.

Conflicts of Interest

As required by law, a Director must avoid a situation where he or she has an interest that conflicts with the Company's interests. The Company's Articles of Association provide the Directors authority to authorise potential conflicts of interest. The Directors are able to impose limits or conditions when giving authorisation if they think this is appropriate. The procedure observed

CORPORATE GOVERNANCE continued

by the Board in considering dealing with conflicted matters is as follows:

- Any Board member so conflicted must recuse themselves from the discussion involving the relevant conflict;
- Only Directors who have no interest in the matter being considered are able to debate the matter and take the relevant decision; and
- In taking the decision the Directors must act in a way they consider, in good faith, will be most likely to promote the Company's success.

The Directors have declared any potential conflicts of interest to the Company. These are entered into the Company's register of potential conflicts, which is reviewed regularly by the Board. The Directors are obliged to advise the Company Secretary as soon as they become aware of any potential conflicts of interest.

Internal control

The AIC Code requires the Board to review the effectiveness of the Company's system of internal controls. The Board recognises its ultimate responsibility for the Company's system of internal controls and for monitoring its effectiveness. The system of internal controls is designed to manage rather than eliminate the risk of failure to achieve business objectives. It can provide only reasonable assurance against material misstatement or loss. The Board has undertaken a review of the aspects covered by the guidance and has identified risk management controls in the key areas of strategic and business risk, financial risk, operational risk, and regulatory and compliance risk. The Board believes that the existing arrangements, set out below, represent an appropriate framework to meet the internal control requirements. The Directors have kept under review the effectiveness of the internal control system throughout the year and up to the date of this report. The system in place accords with The FRC's 2014 'Guidance on Risk Management, Internal Control and Related Financial and Business Reporting'.

Financial aspects of internal control

The Directors are responsible for the internal financial control systems of the Company and for reviewing their effectiveness. These aim to ensure the maintenance of proper accounting records, the reliability of the financial information upon which business decisions are made and which is used for publication and that the assets of the Company are safeguarded. As stated above, the Board has contractually delegated to external agencies the services that the Company requires, but it is fully informed of the internal control framework established by the Investment Manager, the Administrator and the Company's Custodian to provide reasonable assurance on the effectiveness of internal financial controls.

The key procedures include a review of the Company's management accounts and the Net Asset Value and the monitoring of performance of the key service providers at the quarterly Board meetings. The Directors also employ independent auditors to perform an external audit. The administrative function is segregated from that of securities and cash custody, and from the investment management function. Appropriate Directors and Officers insurance is in place and renewed annually. The Company's key service providers report periodically to the Board on their procedures to mitigate cyber security risks. In addition, procedures have been put in place for the authorisation of all expense payments.

The Statement of Directors' Responsibilities in respect of the accounts is on page 45 and a Statement of Going Concern is on page 30. The Report of the Independent Auditor is on pages 46 to 51.

Other aspects of internal control

The Board holds quarterly meetings, and additional meetings as required. Between these meetings there is regular contact with the Investment Manager, the Company Secretary and the Administrator.

The Board has agreed policies with the Investment Manager on key operational issues. The Investment Manager reports in writing to the Board on operational and compliance issues. The Investment Manager reports direct to the Audit and Risk Committee concerning the internal controls applicable to the Investment Manager's dealing, investment and general office procedures.

The Board reviews detailed management accounts from the Administrator, including holdings in the portfolio, transactions, and other aspects of the financial position of the Company. The Depositary provides oversight reports detailing performance against key performance indicators for the quarterly Board meetings. Additional ad hoc reports are received as required and the Directors have access at all times to the advice and services of the Company Secretary, ensuring that Board procedures are followed and that the Board complies with applicable rules and regulations.

Regular contact with the Investment Manager and the other key service providers enables the Board to monitor the Company's progress towards its objectives and encompasses an analysis of the risks involved. The effectiveness of the Company's risk management and internal controls systems is monitored and a formal review, utilising a detailed risk assessment programme has been completed. This included consideration of the Administrator's, the Investment Manager's, the Depositary's and the Registrar's internal controls reports. There are no significant findings to report from the review.

Principal and emerging risks

The Directors confirm that they have carried out a robust assessment of the emerging and principal risks facing the Company, including those that would threaten its business model, future performance, solvency or liquidity. The principal risks and how they are being managed are set out in the Strategic Report.

Shareholder relations

The Notice of AGM sets out the business of the AGM. Separate resolutions are proposed for each substantive issue. The Investment Manager has a programme of meetings with significant shareholders and reports back to the Board on its findings. The Chairman and the Board welcome direct feedback from shareholders.

Exercise of voting powers and stewardship code

The Company and the Investment Manager support the UK Stewardship Code issued by the Financial Reporting Council. The Investment Manager is a signatory to the UK Stewardship code 2020 and has published its proxy voting policy and statement of commitment to the principles of best practice of the Stewardship Code on its website at <https://www.chikarainvestments.com/stewardship-code> It is also a signatory to the Japan Stewardship Code and has published its statement of commitment to its principles on its website at <https://www.chikarainvestments.com/japan-stewardship-code>.

June Aitken
Chairman

21 January 2025

DIRECTORS' REMUNERATION IMPLEMENTATION REPORT

This report has been prepared in accordance with Schedule 8 of the Large and Medium-sized Companies and Groups (Accounts and Reports) (Amendment) Regulations 2013.

The Directors' Remuneration Implementation Report is put forward for approval by shareholders on an annual basis. The result of the shareholder resolution on the Implementation Report is non-binding on the Company, although it gives shareholders an opportunity to express their views, which will be taken into account by the Board. An ordinary resolution to approve this Directors' Remuneration Implementation Report will be put forward for approval at the Company's Annual General Meeting to be held on 3 March 2025.

The law requires the Company's auditor to audit certain of the disclosures provided. Where disclosures are audited, they are indicated as such. The auditor's opinion is on page 46.

Remuneration Implementation

The Company currently has four Non-Executive Directors.

The Board has not established a separate Remuneration Committee. Board fees are considered annually by the Board as a whole through the Nomination Committee. The Board sets its fees by reference to other investment trusts of a similar nature to that of the Company, to RPI and CPI and other inflationary measures, the time commitment of the Board and the size and the impact to the Company's ongoing charges following a rise in fees. Board fees are not considered against any performance measure.

No remuneration consultants were appointed during the financial year to 31 October 2024.

Directors' fees, with effect from 1 November 2023, were payable at the rate of £42,750 for the Chairman of the Board; £34,500 for the Chairman of the Audit and Risk Committee; £29,500 for the Senior Independent Director and £28,500 per annum for the other Board members.

Following the year end, a review was undertaken and after careful consideration the Board approved with effect from 1 November 2024 an increase in annual Directors' fees to £45,000 for the Chairman of the Board; £36,500 for the Chairman of the Audit and Risk Committee; £31,000 for the Senior Independent Director and £30,000 per annum for the other Board members.

The Board believes that the level of increase and resulting fees appropriately reflects prevailing market rates for an investment trust of the Company's complexity and size, the increasing level of regulation and resultant time spent by the Directors on matters, and it will also enable the Company to continue to attract appropriately experienced Directors in the future.

Due to the size and nature of the Company, it was not deemed necessary to use a remuneration consultant although the Nomination Committee did take into consideration views from external search consultants on the level of the Company's fees against prevailing market rates and took these into account in its deliberations.

The Directors' fees and taxable benefits are shown in the table on page 39.

Directors' service contracts

The Directors do not have service contracts with the Company. The Directors are not entitled to compensation on the loss of office and no payment was made to past directors for loss of office. The Directors have appointment letters which do not provide for any specific term. In accordance with best practice the Board put themselves forward for annual re-election. There are no restrictions on transfers of the Company's shares held by the Directors, or any special rights attached to such shares. The Directors' letters of appointment can be inspected at the Company's registered office.

Directors' indemnities

Subject to the provisions of the Companies Act 2006, the Company may indemnify any person who is a Director, secretary or other officer (other than an auditor) of the Company, against (a) any liability whether in connection with any negligence, default, breach of duty or breach of trust by them in relation to the Company or any associated company or (b) any other liability incurred by or attaching to him in the actual or purported execution and/or discharge of his duties and/or the exercise or purported exercise of his powers and/or otherwise in relation to or in connection with his duties, powers or office; and purchase and maintain insurance for any person who is a Director, secretary, or other officer (other than an auditor) of the Company in relation to anything done or omitted to be done or alleged to have been done or omitted to be done as Director, secretary or officer.

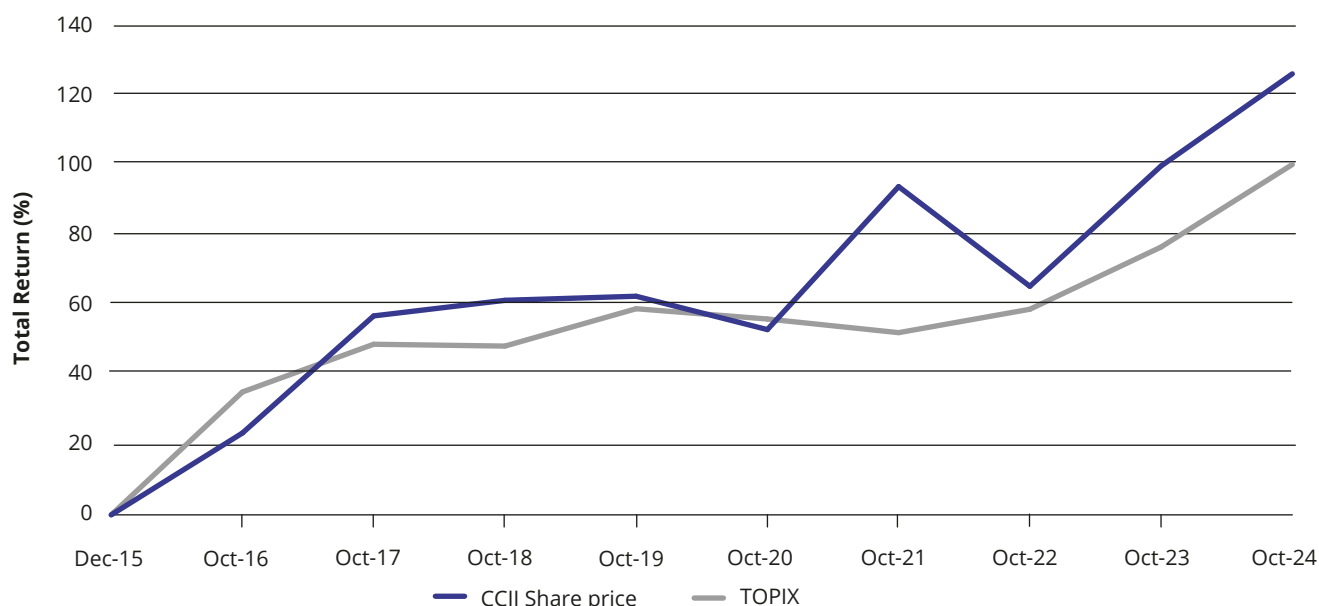
A policy of insurance against Directors' and Officers' liabilities is maintained by the Company.

Director search and selection fees

No Director search and selection fees were incurred during the year under review.

Performance

The following chart shows the performance of the Company's share price by comparison with the TOPIX since inception, on a total return basis. The Board deems the TOPIX to be the most appropriate comparator for this report.



Directors' emoluments for the year ended 31 October 2024 (audited)

The Directors who served during the year ended 31 October 2024 received the following remuneration for qualifying services.

Fees and taxable benefits

	Fees Year ended 31 October 2024 £	Taxable benefits	Total	Fees Year ended 31 October 2023 £
June Aitken ¹	38,253	–	38,253	27,000
Kate Cornish-Bowden	34,500	–	34,500	32,500
Craig Cleland ²	29,203	–	29,203	27,000
John Charlton-Jones	28,500	–	28,500	2,250
Harry Wells ³	14,836	–	14,836	40,500
Peter Wolton ⁴	–	–	–	26,420
Total	145,292	–	145,292	155,670

¹ June Aitken was appointed as Chairman of the Board on 5 March 2024.

² Craig Cleland was appointed as Senior Independent Director on 5 March 2024.

³ Harry Wells retired on 5 March 2024.

⁴ Peter Wolton retired on 10 October 2023.

In addition to the above, the Company paid £3,000 (2023: £1,000) in expenses to the Directors. None of the above fees were paid to third parties. There were no taxable benefits claimed during the years ended 31 October 2024 or 31 October 2023.

DIRECTORS' REMUNERATION IMPLEMENTATION REPORT

continued

The current aggregate remuneration that can be paid to Directors under the Company's Articles of Association is £500,000 per annum, until otherwise determined by an Ordinary Resolution of the Company.

Annual Percentage Change in Directors' Remuneration

	% change 2019 to 2020	% change 2020 to 2021	% change 2021 to 2022	% change 2022 to 2023	% change 2023 to 2024
June Aitken ¹	N/A	N/A	N/A	3.8	41.7
Kate Cornish-Bowden	15.5	6.4	4.1	3.7	6.2
Craig Cleland ¹	N/A	N/A	N/A	3.8	8.2
John Charlton-Jones ²	N/A	N/A	N/A	N/A	N/A
Harry Wells ³	2.0	Nil	4.0	3.8	N/A
Peter Wolton ⁴	2.0	Nil	4.0	3.6	N/A

¹ June Aitken and Craig Cleland were appointed on 1 February 2022. June Aitken was appointed as Senior Independent Director on 10 October 2023 and as Chairman on 5 March 2024. Craig Cleland was appointed as Senior Independent Director on 5 March 2024.

² John Charlton-Jones was appointed on 1 October 2023.

³ Harry Wells retired on 5 March 2024.

⁴ Peter Wolton retired on 10 October 2023.

A non-binding ordinary resolution to approve the Directors' Remuneration Implementation Report contained in the Annual Report for the year ended 31 October 2023 was put forward at the Annual General Meeting held on 5 March 2024. The resolution was passed with proxies representing 99.97% of the shareholders voting, voted in favour of the resolution.

The Directors' Remuneration Policy was last put forward at the Annual General Meeting held on 1 March 2023. The resolution was passed with proxies representing 99.99% of the shares voted in favour of the resolution. The Directors' Remuneration Policy will next be put forward for approval at the Annual General Meeting to be held in 2026.

The Board takes an active role in shareholder engagement and particularly voting outcomes. Shareholders have the opportunity to express their views and ask questions in respect of the Remuneration Policy and Remuneration Implementation Report at the Annual General Meeting.

Relative importance of spend on pay

The following table sets out the total level of Directors' remuneration compared with management fees and other expenses incurred by the Company and the distributions to shareholders by way of dividends.

	Year to 31 October 2024 £'000	Year to 31 October 2023 £'000
Directors' fees	145	156
Management fees and other expenses	2,758	2,430
Dividends paid and payable to shareholders	7,343	7,140

The information in the table above is required by the regulations with the exception of management fees and other expenses which have been included to show the total operating expenses of the Company.

Directors' holdings (Audited)

The interests of the Directors in the ordinary shares of the Company as at 31 October 2024 and at 31 October 2023 were as follows. All share holdings are beneficially owned.

	Ordinary shares as at 31 October 2024	Ordinary shares as at 31 October 2023
June Aitken	42,774	41,631
Kate Cornish-Bowden	50,000	50,000
Craig Cleland	45,000	40,000
John Charlton-Jones	22,403	12,185

Directors are not specifically required to own shares in the Company.

Statement

On behalf of the Board and in accordance with Part 2 of Schedule 8 of the Large and Medium-sized Companies and Groups (Accounts and Reports) (Amendment) Regulations 2013, I confirm that the above Report on Remuneration Implementation summarises, as applicable, for the year to 31 October 2024:

- (a) the major decisions on Directors' remuneration;
- (b) any substantial changes relating to Directors' remuneration made during the year; and
- (c) the context in which the changes occurred, and decisions have been taken.

June Aitken

Chairman

21 January 2025

REPORT OF THE AUDIT AND RISK COMMITTEE

The AIC Code recommends that boards should establish audit committees consisting of at least three independent non-executive directors. The Board is required to satisfy itself that at least one member of the Audit and Risk Committee has recent and relevant financial experience. The main role and responsibilities of the Audit and Risk Committee should be set out in written terms of reference covering certain matters described in the Code. The Company complies with the AIC Code.

Composition

All the Directors of the Board are members of the Audit and Risk Committee. Each committee member is independent and together they bring a variety of relevant and recent investment and financial expertise. The UK Code recommends that the Chair of the Board should not be a member of the Audit and Risk Committee. However, as permitted by the AIC Code, the Directors believe that membership of the Audit and Risk Committee of the independent Chair of the Board, June Aitken is appropriate, and welcome her contribution.

The Audit and Risk Committee has formal written terms of reference and copies of these are available on the Company's website or on request to the Company Secretary. The Committee has considered the need for an internal audit function. Given that the Company has no employees and outsources all its operating activities to external providers, the Committee considers that an internal audit function is not needed. The Committee keeps the need for an internal audit function under annual review.

Role of the Audit and Risk Committee

The Audit and Risk Committee meets formally at least three times a year. The responsibilities of the committee include:

- Ensuring integrity, transparency and accuracy of the financial reports.
- Assisting in the preparation and review of the annual and half year reports and accounts.
- Considering the appointment, independence and objectivity, and remuneration of the auditor.
- Considering the effectiveness of the annual audit.
- Reviewing the internal controls of the Company.
- Reviewing the internal controls of the Company's service providers.
- Reviewing the principal and emerging risks, and the Company's processes to mitigate risk.

Performance Evaluation

In line with best practice, the Audit and Risk Committee is subject to an annual review of its performance. The evaluation of the Audit and Risk Committee conducted this year confirmed that the Committee operates effectively and continues to meet requirements. Further details of the evaluation of the Committee can be found on page 35.

Internal controls and risk management

The Board has overall responsibility for the Company's risk management and systems of internal controls and for reviewing their effectiveness. In common with most investment trusts, investment management, accounting, company secretarial, registrar and depositary services have been delegated to third parties. The effectiveness of the internal controls of all service providers is assessed by the Audit and Risk Committee on a continuing basis and the Committee receives regular assurance reports concerning any errors and omissions.

During the year the Committee worked with the Board to conduct a review of the current fund administration and company secretarial service providers. After assessing competitive alternatives, the Board decided to appoint Frostrow Capital LLP to provide Administration and Company Secretarial Services. The Committee is confident that this new appointment will enhance the accuracy and quality of financial reporting. Frostrow Capital LLP has also been appointed as the Company's AIFM in accordance with the Alternative Investment Fund Managers Directive ("AIFMD"). An independent AIFM will improve the standard of governance by bringing an additional layer of independent oversight.

Risk Management

The Audit and Risk Committee meets at least once during the financial year to review the key risks facing the company and to ensure the effectiveness of measures put in place to manage and mitigate risk. These risks fall into three categories: strategic and business risk, financial and operational risk, and regulatory and compliance risk. The outcome of the risk assessment and the details of the Company's principal and emerging risks are outlined on page 13.

Meetings

There have been three Audit and Risk Committee meetings in the year ended 31 October 2024. Meeting attendance is shown on page 35 of this Annual Report.

Financial statements and significant accounting matters considered during the year

The Committee considered the following significant accounting issues in relation to the Company's financial statements for the year ended 31 October 2024.

Valuation and existence of investments

The Company holds its assets in quoted investments, derivatives and cash. The valuation and existence of these investments is currently the most material matter in the production of the financial statements. Investments are valued using independent pricing sources and the holding quantities at the year end were agreed with the Depositary's records. The Committee reviewed the Administrator's procedures in place for ensuring accurate valuation and existence of investments. The Committee also receives and reviews any significant pricing or custody reconciliation exceptions and reports from the Depositary.

Recognition of income

Income may not be accrued in the correct period and/or incorrectly allocated to revenue or capital. The Committee reviewed the Administrator's procedures for recognition of income and reviewed the treatment of any special dividends receivable in the year. The Committee also reviewed the Administrator's forecast of revenue against actual revenue received at each Committee meeting.

Geopolitical Uncertainty and the Impact on the Japanese yen

Movements in the yen exchange rate against the US dollar and the British pound have an impact on dividend receipts and the competitiveness of Japanese exports. Although global interest rates have fallen this year and the differential between US and Japanese interest rates has narrowed, both the US dollar and British pound continued to strengthen against the Japanese yen. The weakening yen trend was interspersed with volatile periods of strengthening when investors turned to the yen as a safe haven. During the year, the Committee has paid particular attention to the sensitivity of income received from investee companies to volatility in the British pound/Japanese yen foreign exchange rate.

S1158 of the Corporation Tax Act 2010

The Committee considers the reports produced by the AIFM confirming compliance with the investment trust qualifying rules.

Going concern and viability statements

Having reviewed the Company's financial position, liabilities, principal/emerging risks and uncertainties, the Committee recommended to the Directors that it was appropriate for the Directors to prepare the financial statements on the going concern basis.

The Committee considered the appropriateness of the assumptions used in the viability statement and is confident that these are sufficiently robust. The going concern assessment and viability statements can be found on page 30 and pages 11 and 12, respectively.

Audit tenure

The appointment of the auditor is reviewed annually by the Committee and is subject to approval by shareholders. This year will be the second year that Johnston Carmichael has been the Company's Auditor. Shareholders approved the appointment of Johnston Carmichael as the Company's Auditor at the AGM in March 2024.

Effectiveness of external audit

The Audit and Risk Committee is responsible for reviewing the effectiveness of the external audit process. The Committee met to discuss the audit plan with the auditor prior to the commencement of the 2024 audit, and attended a presentation of the results of the audit following completion of the main audit testing. The Committee performed a review of the external auditor following the presentation of the results of the audit. The review included a discussion of the audit process and the ability of the external auditor to fulfil its role.

I spoke to Richard Sutherland, the partner at Johnston Carmichael, and his team during the year to discuss feedback from the external audit and am pleased to report that no significant issues arose during the process. The Committee is satisfied that Johnston Carmichael has provided effective independent challenge in carrying out its responsibilities.

Provision of non-audit services

The Committee has reviewed the FRC's Guidance on Audit Committees and has formulated a policy on the provision of non-audit services by the Company's auditor. The Committee has determined that the Company's appointed auditor will not be considered for the provision of certain non-audit services, such as accounting and preparation of the financial statements, internal audit and custody. The auditor's eligibility to provide non-audit services will be judged on a case-by-case basis; however no non-audit services were provided during the financial year under review.

Audit fees

The audit fees (excluding VAT) incurred during the year amounted to £41,000 (2023: £37,500 plus an additional £4,500 (excluding VAT) payable by Apex, for extra statutory audit work performed by the Auditor).

REPORT OF THE AUDIT AND RISK COMMITTEE

continued

Auditor independence

The Committee considered the independence of the auditor and the objectivity of the audit process and is satisfied that Johnston Carmichael has fulfilled its obligations to shareholders and as independent auditor to the Company for the year.

After due consideration, the Committee recommends the re-appointment of Johnston Carmichael, and their re-appointment will be put to the Company's shareholders at the 2025 AGM.

Conclusion with respect to the Annual Report and financial statements

Following a thorough process of review, the Committee has concluded that the Annual Report for the year ended 31 October 2024, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's business model, strategy and performance. The Committee has reported its conclusions to the Board of Directors.

Kate Cornish-Bowden

Audit and Risk Committee Chairman

21 January 2025

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable laws and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law, the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice, including FRS 102, which is the Financial Reporting Standard applicable to the UK and Republic of Ireland and applicable law. Under company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of the Company's affairs as at the end of the year and of the net return for the year. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates, which are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and which disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are also responsible for preparing a Strategic Report, Directors' Report, Directors' Remuneration Report and Corporate Governance Statement that comply with applicable laws and regulations.

The Company Reports and Accounts are published on its website at www.ccjapanincomeandgrowthtrust.com which is maintained by the Company's Investment Manager. The work carried out by the auditors does not involve consideration of the maintenance and integrity of this website and, accordingly, the auditor accepts no responsibility for any changes that have occurred to the financial statements since being initially presented on the website. Legislation in the United Kingdom governing the preparation and dissemination of

financial statements may differ from legislation in other jurisdictions.

Directors' confirmation statement

The Directors each confirm to the best of their knowledge that:

- (a) the financial statements, prepared in accordance with applicable accounting standards, give a true and fair view of the assets, liabilities, financial position and profit of the Company; and
- (b) this Annual Report includes a fair review of the development and performance of the business and position of the Company, together with a description of the principal risks and uncertainties that it faces.

Having taken advice from the Audit and Risk Committee, the Directors consider that the Annual Report and financial statements taken as a whole is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's performance, business model and strategy.

For and on behalf of the Board

June Aitken
Chairman

21 January 2025

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CC JAPAN INCOME & GROWTH TRUST PLC

Opinion

We have audited the financial statements of CC Japan Income & Growth Trust plc ("the Company"), for the year ended 31 October 2024, which comprise the Income Statement, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- Give a true and fair view of the state of the Company's affairs as at 31 October 2024 and of its return for the year then ended;
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- Have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our approach to the audit

We planned our audit by first obtaining an understanding of the Company and its environment, including its key activities delegated by the Board to relevant approved third-party service providers and the controls over provision of those services.

We conducted our audit using information maintained and provided by Chikara Investment LLP (the "Investment Manager"), Apex Listed Companies Services (UK) Limited (the "Company Secretary", and "Administrator" for the audited period). Northern Trust Investor Services Limited (the "Custodian" and the "Depositary") and MUFG Corporate Markets (the "Registrar") to whom the Company has delegated the provision of services.

We tailored the scope of our audit to reflect our risk assessment, taking into account such factors as the types of investments within the Company, the involvement of the Administrator, the accounting processes and controls, and the industry in which the Company operates.

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in the evaluation of the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters.

We summarise below the key audit matters in arriving at our audit opinion above, together with how our audit addressed these matters and the results of our audit work in relation to these matters.

Key audit matter	How our audit addressed the key audit matter and our conclusions
<p>Valuation of investments (as per page 43 (Report of the Audit and Risk Committee), pages 56 to 59 (Accounting Policies) and Note 3.</p> <p>As at 31 October 2024 the valuation of the level 1, listed investments portfolio was £255.8m, the valuation of the level 2 money market fund was £2.7m and the valuation of the level 2, Contracts for Difference ("CFDs"), was £8.0m.</p> <p>As this is the largest component of the Company's Statement of Financial Position, and a key driver of the Company's net assets and total return, this has been designated as a key audit matter, being one of the most significant assessed risks of material misstatement due to error.</p> <p>There is a further risk that the investments held at fair value may not be actively traded and the quoted prices may not therefore be reflective of fair value.</p>	<p>We performed a walkthrough of the investment valuation process at the Administrator to evaluate the design of the process and implementation of key controls.</p> <p>We compared market prices and exchange rates applied to all level 1 listed investments, level 2 money market funds and all level 2 CFDs held at 31 October 2024 to an independent third-party source and recalculated the investment valuations.</p> <p>We obtained average trading volumes from an independent third-party source for all investments held at year end and have assessed their liquidity. We have also assessed trading activity for evidence of an active market.</p> <p>From our completion of these procedures, we identified no material misstatements in relation to the valuation of the investments.</p>
<p>Revenue recognition, including allocation of special dividends as revenue or capital returns (as per page 43 (Report of the Audit and Risk Committee), pages 56 to 59 (Accounting Policies) and Note 4.</p> <p>Investment income recognised to 31 October 2024 was £9.4m, consisting primarily of dividend income from listed investments and CFDs.</p> <p>Revenue-based performance metrics are often one of the key performance indicators for stakeholders. The investment income received by the Company during the year directly impacts these metrics and the minimum dividend required to be paid by the Company.</p> <p>There is a risk that revenue is incomplete, did not occur or is inaccurate through failure to recognise income entitlements or failure to appropriately account for their treatment. It has therefore been designated as a key audit matter being one of the most significant assessed risks of material misstatement due to fraud or error.</p> <p>Additionally, there is a further risk of incorrect allocation of special dividends as revenue or capital returns as judgement is required in determining their allocation within the Income Statement.</p>	<p>We performed a walkthrough of the revenue recognition, including allocation of special dividends, process at the Administrator to evaluate the design of the process and implementation of key controls.</p> <p>We evaluated whether income is recognised and disclosed in accordance with the AIC SORP by assessing the accounting policies.</p> <p>We have recalculated 100% of dividends due to the Company, from equity holdings and CFDs, based on investment holdings throughout the year and announcements made by investee companies.</p> <p>We agreed a sample of investment income recognised to bank statements.</p> <p>We have assessed the completeness of the special dividend population with reference to third party market data and assessed management's judgement for allocating special dividend as revenue or capital returns with reference to the underlying commercial circumstances of the dividend payments.</p> <p>From our completion of these procedures, we identified no material misstatements in relation to revenue recognition, including allocation of special dividends as revenue or capital returns.</p>

Our application of materiality

We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality in determining the nature and extent of our work and in evaluating the results of that work.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CC JAPAN INCOME & GROWTH TRUST PLC continued

Materiality measure	Value
<p>Materiality for the financial statements as a whole</p> <p>We have set materiality as 1% of net assets as we believe that net assets is the primary performance measure used by investors and is the key driver of shareholder value. We determined the measurement percentage to be commensurate with the risk and complexity of the audit and the Company's listed status.</p>	<p>£2.66m (2023: £2.35m)</p>
<p>Performance materiality</p> <p>Performance materiality represents amounts set by the auditor at less than materiality for the financial statements as a whole, to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality for the financial statements as a whole.</p> <p>In setting this we consider the Company's overall control environment, our past experience of the audit that indicates a lower risk of material misstatements. Based on our judgement of these factors, we have set performance materiality at 75% (2023: 50%) of our overall financial statement materiality.</p>	<p>£1.99m (2023: £1.18m)</p>
<p>Specific materiality</p> <p>Recognising that there are transactions and balances of a lesser amount which could influence the understanding of users of the financial statements we calculate a lower level of materiality for testing such areas.</p> <p>Specifically, given the importance of the distinction between revenue and capital for the Company, we also applied a separate testing threshold for the revenue column of the Income Statement, set as 5% of the net revenue return on ordinary activities before tax.</p> <p>We have set a specific materiality in respect of related party transactions and Directors' remuneration.</p> <p>We used our judgement in setting these thresholds and considered our past experience of the audit, the history of misstatements and industry benchmarks for specific materiality.</p>	<p>£0.41m (2023: £0.41m)</p>
<p>Audit Committee reporting threshold</p> <p>We agreed with the Audit and Risk Committee that we would report to them all differences in excess of 5% of overall materiality in addition to other identified misstatements that warranted reporting on qualitative grounds, in our view. For example, an immaterial misstatement as a result of fraud.</p>	<p>£0.13m (2023: £0.12m)</p>

During the course of the audit, we reassessed initial materiality and found no reason to alter the basis of calculation used at year end.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the Directors' assessment of the Company's ability to continue to adopt the going concern basis of accounting included:

- Evaluating management's method of assessing going concern, including consideration of the continuation vote, market conditions and macro economic uncertainties;
- Assessing and challenging the forecast cashflows and associated sensitivity modelling used by

management in support of their going concern assessment;

- Obtaining and recalculating management's assessment of the Company's ongoing maintenance of investment trust status; and
- Assessing the adequacy of the Company's going concern disclosures included in the Annual Report.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In relation to the Company's reporting on how it has applied the UK Corporate Governance Code, we have

nothing material to add or draw attention to in relation to the Directors' statement in the financial statements about whether the Directors considered it appropriate to adopt the going concern basis of accounting.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our auditor's report thereon. The Directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006.

In our opinion, based on the work undertaken in the course of the audit:

- The information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- The financial statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- Certain disclosures of Directors' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- A corporate governance statement has not been prepared by the Company.

Corporate governance statement

We have reviewed the Directors' statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the entity's compliance with the provisions of the UK Corporate Governance Code specified for our review by the Listing Rules.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements or our knowledge obtained during the audit:

- The Directors' statement with regards to the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out on page 30;
- The Directors' explanation as to its assessment of the Company's prospects, the period this assessment covers and why the period is appropriate set out on pages 11 and 12;
- The Directors' statement on fair, balanced and understandable set out on page 45;
- The Directors' statement on whether it has a reasonable expectation that the Company will be able to continue in operation and meets its liabilities set out on page 30;
- The Board's confirmation that it has carried out a robust assessment of the emerging and principal risks set out on page 37;

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CC JAPAN INCOME & GROWTH TRUST PLC continued

- The section of the Annual Report that describes the review of the effectiveness of risk management and internal control systems set out on page 36; and
- The section describing the work of the Audit and Risk Committee set out on page 42 to 44.

Responsibilities of Directors

As explained more fully in the Directors' Responsibilities Statement set out on page 45, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We assessed whether the engagement team collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations by considering their experience, past performance and support available.

All engagement team members were briefed on relevant identified laws and regulations and potential fraud risks at the planning stage of the audit. Engagement team members were reminded to remain alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and the sector in which it operates, focusing on those provisions that had a direct effect on the determination of material amounts and disclosures in the financial statements. The most relevant frameworks we identified include:

- Companies Act 2006;
- Financial Conduct Authority (FCA) listing and Disclosure Guidance and Transparency Rules (DTR);
- The principles of the UK Corporate Governance Code applied by the AIC Code of Corporate Governance (the "AIC Code");
- Industry practice represented by the Statement of Recommended Practice: Financial Statements of Investment Trust Companies and Venture Capital Trusts ("the SORP") issued in July 2022;
- The Company's qualification as an investment Trusts under section 1158 of the Corporation Tax Act 2010; and
- Financial Reporting Standard 102.

We gained an understanding of how the Company is complying with these laws and regulations by making enquiries of management and those charged with governance. We corroborated these enquiries through our review of relevant correspondence with regulatory bodies and board meeting minutes.

We assessed the susceptibility of the financial statements to material misstatement, including how fraud might occur, by meeting with management and those charged with governance to understand where it was considered there was susceptibility to fraud. This evaluation also considered how management and those charged with governance were remunerated and whether this provided an incentive for fraudulent activity. We considered the overall control environment and how management and those charged with governance oversee the implementation and operation of controls. In areas of the financial statements where the risks were considered to be higher, we performed procedures to address each identified risk. We identified a heightened fraud risk in relation to:

- Management override of controls; and
- Completeness and allocation of special dividends.

Audit procedures performed in response to the risks relating to completeness and allocation of special dividends are set out in the section on key audit matters above, and audit procedures performed in response to the risk of management override of controls are included below.

In addition to the above, the following procedures were performed to provide reasonable assurance that the financial statements were free of material fraud or error:

- Reviewing minutes of meetings of those charged with governance for reference to: breaches of laws and regulation or for any indication of any potential litigation and claims; and events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud;
- Performing audit procedures over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, recalculating the investment management fee, evaluating the business rationale of significant transactions outside the normal course of business and assessing judgements made by management in their calculation of accounting estimates for potential management bias;
- Completion of appropriate checklists and use of our experience to assess the Company's compliance with the Companies Act 2006 and the Listing Rules; and
- Agreement of the financial statement disclosures to supporting documentation.

Our audit procedures were designed to respond to the risk of material misstatements in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as

fraud may involve intentional concealment, forgery, collusion, omission or misrepresentation. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

Other matters which we are required to address

Following the recommendation of the Audit and Risk Committee, we were appointed by the Board on 1 March 2023 to audit the financial statements for the year ended 31 October 2023 and subsequent financial periods. The period of our total uninterrupted engagement is two years, covering the years ended 31 October 2023 to 31 October 2024.

The non-audit services prohibited by the FRC's Ethical Standard were not provided to the Company and we remain independent of the Company in conducting our audit.

Our audit opinion is consistent with the additional report to the Audit and Risk Committee.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Richard Sutherland (Senior statutory auditor)

For and on behalf of Johnston Carmichael LLP
Statutory Auditor
Edinburgh, United Kingdom

21 January 2025

INCOME STATEMENT

FOR THE YEAR ENDED 31 OCTOBER 2024

	Note	Year ended 31 October 2024			Year ended 31 October 2023		
		Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Gains on investments	3	–	34,432	34,432	–	32,435	32,435
Currency (losses)/gains		–	(1,841)	(1,841)	–	209	209
Income	4	9,357	–	9,357	9,283	–	9,283
Investment management fee	5	(400)	(1,599)	(1,999)	(343)	(1,372)	(1,715)
Other expenses	6	(759)	–	(759)	(715)	–	(715)
Return on ordinary activities before finance costs and taxation		8,198	30,992	39,190	8,225	31,272	39,497
Finance costs	7	(97)	(234)	(331)	(63)	(173)	(236)
Return on ordinary activities before taxation		8,101	30,758	38,859	8,162	31,099	39,261
Taxation	8	(928)	–	(928)	(921)	–	(921)
Return on ordinary activities after taxation		7,173	30,758	37,931	7,241	31,099	38,340
Return per ordinary share	13	5.32p	22.83p	28.15p	5.37p	23.08p	28.45p

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 were derived 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 year is also the total comprehensive income for the year.

The notes on pages 56 to 72 form part of these financial statements.

STATEMENT OF FINANCIAL POSITION

AS AT 31 OCTOBER 2024

	Note	31 October 2024 £'000	31 October 2023 £'000
Fixed assets			
Investments at fair value through profit or loss	3	258,478	231,987
Current assets			
Cash and cash equivalents		4,006	340
Cash collateral in respect of Contracts for Difference ("CFDs")		413	806
Amounts due in respect of CFDs		8,027	773
Other debtors	10	4,062	3,750
		16,508	5,669
Creditors: amounts falling due within one year			
Cash collateral in respect of CFDs		(8,837)	(1,266)
Amounts payable in respect of CFDs		(17)	(738)
Other creditors	11	(291)	(534)
		(9,145)	(2,538)
Net current assets		7,363	3,131
Total assets less current liabilities		265,841	235,118
Net assets		265,841	235,118
Capital and reserves			
Share capital	12	1,348	1,348
Share premium		98,067	98,067
Special reserve		64,671	64,671
Capital reserve			
– Revaluation gains on equity investments held at year end	3	35,561	24,636
– Other capital reserves		58,319	38,486
Revenue reserve		7,875	7,910
Total shareholders' funds		265,841	235,118
NAV per share – ordinary shares (pence)	14	197.31p	174.51p

Approved by the Board of Directors and authorised for issue on 21 January 2025 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 56 to 72 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 OCTOBER 2024

For the year ended 31 October 2024

	Note	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		–	–	–	30,758	7,173	37,931
Dividends paid	9	–	–	–	–	(7,208)	(7,208)
Balance at 31 October 2024		1,348	98,067	64,671	93,880	7,875	265,841

For the year ended 31 October 2023

	Note	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	9	–	–	–	–	(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 56 to 72 form part of these financial statements.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 OCTOBER 2024

	Year ended 31 October 2024 £'000	Year ended 31 October 2023 £'000
Operating activities cash flows		
Return on ordinary activities before finance costs and taxation ¹	39,190	39,497
Adjustment for:		
Gains on equity investments	(26,332)	(24,684)
Realised gains on CFDs	(122)	(7,656)
Movement in CFD balances	(11)	758
Increase in other debtors	(73)	(500)
(Decrease)/increase in other creditors	(52)	19
Tax withheld on overseas income	(928)	(921)
Net cash flow from operating activities	11,672	6,513
Investing activities cash flows		
Purchases of equity investments	(63,521)	(57,623)
Proceeds from sales of equity investments	62,923	49,413
Realised gains on CFDs	122	7,656
Net cash flow used in investing activities	(476)	(554)
Financing activities cash flows		
Equity dividends paid	(7,208)	(6,804)
Finance costs paid	(322)	(228)
Net cash flow used in financing activities	(7,530)	(7,032)
Increase/(decrease) in cash and cash equivalents	3,666	(1,073)
Cash and cash equivalents at the beginning of the year	340	1,413
Cash and cash equivalents at the end of the year	4,006	340

¹ Inflow from dividends was £8,314,000 (2023: £7,888,000).

The notes on pages 56 to 72 form part of these financial statements.

NOTES TO THE ACCOUNTS

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 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 within the meaning of section 1158 of the Corporation Tax Act of 2010.

With effect from 1 January 2025, the Company's registered office changed from 6th Floor, 125 London Wall, London, EC2Y 5AS to 25 Southampton Buildings, London, WC2A 1AL, following the appointment of Frostrow Capital LLP as AIFM, Administrator and Company Secretary.

2. ACCOUNTING POLICIES

The principal accounting policies followed by the Company are set out below:

(a) Basis of accounting

The financial statements have been prepared in accordance with FRS 102 ("the Financial Reporting Standard applicable in the UK and Republic of Ireland") issued by the Financial Reporting Council, with 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 and the Companies Act 2006. The financial statements have been prepared on a historical cost basis except for the modification to a fair value basis for certain financial instruments as specified in the accounting policies below.

They have also been prepared on the assumption that approval as an investment trust will continue to be granted. As required by its Articles of Association, a vote for the Company's continuation will be put forward at the next AGM to be held on 3 March 2025, having last been passed at the AGM in 2022.

The financial statements have been prepared on a going concern basis. In forming this opinion, the Directors have considered any potential impact of wars in Ukraine and the Middle East; and the increase in geopolitical tension between the US and China, on the going concern and viability of the Company. In making their assessment, the Directors have reviewed income and expense projections and the liquidity of the investment portfolio, and considered the mitigation measures which key service providers, including the Investment Manager, continue to have in place to maintain operational resilience.

The Directors have also 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 31 October 2024 were £265.8 million (2023: £235.1 million). As at 31 October 2024, the Company held approximately £258.5 million in quoted investments (2023: £232.0 million) and had cash of £4.0 million (2023: £0.3 million). The total expenses (excluding finance costs and taxation) for the year ended 31 October 2024 were £2.8 million (2023: £2.4 million), which represented approximately 1.03% (2023: 1.06%) of average net assets during the year. At the date of approval of this report, based on the aggregate net assets of investments and cash held, the Company has substantial operating expenses cover.

The Company's ability to continue as a going concern for the period assessed by the Directors, being the period to 31 January 2026 which is at least 12 months from the date the financial statements were authorised for issue.

The financial statements have been presented in sterling (£), which is also the functional currency as this is the currency of the primary economic environment in which the Company operates. The Board, having regard to the currency of the Company's share capital and the predominant currency in which it pays distributions, expenses and its shareholders operate, has determined that sterling is the functional currency.

In preparing these financial statements the Directors have considered the impact of ESG and climate change risk as an emerging risk as set out on page 16 and have concluded that while climate change impacts operating conditions of portfolio companies and increases obligations, it does not have a material impact on the value of the Company's investments. In line with FRS 102, investments are valued at fair value, which for the Company are quoted bid prices for investments in active markets at 31 October 2024 and therefore reflect market participants' view of climate change risk.

NOTES TO THE ACCOUNTS

continued

2. ACCOUNTING POLICIES continued

(b) Investments

As the Company's business is investing in financial assets with a view to profiting from their total return in the form of increases in fair value, financial assets are held at fair value through profit or loss in accordance with FRS 102 Section 11: 'Basic Financial Instruments', and Section 12: 'Other Financial Instruments'. The Company manages and evaluates the performance of these investments on a fair value basis in accordance with its investment strategy, and information about the investments is provided on this basis to the Board of Directors.

Upon initial recognition, investments are classified by the Company as "at fair value through profit or loss". They are recognised on the date they are traded and are measured initially at fair value, which is taken to be their transaction price, excluding expenses incidental to purchases which are expensed to capital on acquisition. Subsequently investments are revalued at fair value, which is the bid market price for listed investments over the time until they are sold. Any unrealised gains/losses are included in the fair value of the investments.

Changes in the fair value of investments held at fair value through profit or loss and gains or losses on disposal are included in the capital column of the Income Statement within "gains on investments held at fair value".

(c) Derivatives

Derivatives comprise Contracts for Difference ("CFDs"), which are measured at fair value and valued by reference to the underlying market value of the corresponding security, the valuation of which is detailed in Note 2b. CFDs are held for investment purposes. Where the fair value is positive the CFD is presented as a current asset, and where the fair value is negative the CFD is presented as a current liability. Gains or losses on these derivative transactions are recognised in the Income Statement.

They are recognised as capital and are shown in the capital column of the Income Statement if they are of a capital nature and are recognised as revenue and shown in the revenue column of the Income Statement if they are of a revenue nature. To the extent that any gains or losses are of a mixed revenue and capital nature, they are apportioned between revenue and capital accordingly. The CFD balance is made up of transactions in relation to the underlying equity held by the Company, with the risks embedded in the CFDs disclosed in Note 16.

(d) Foreign currency

Transactions denominated in foreign currencies including dividends are translated into sterling at exchange rates as at the date of the transaction. Assets and liabilities denominated in foreign currencies at the year end are reported at the rates of exchange prevailing at the year end. Foreign exchange movements on investments and derivatives are included in the Income Statement within gains on investments. Any other gain or loss is included as an exchange gain or loss to capital or revenue in the Income Statement as appropriate.

(e) Income

Investment income has been accounted for on an ex-dividend basis or when the Company's right to the income is established. Special dividends are credited to capital or revenue in the Income Statement, according to the circumstances surrounding the payment of the dividend. Overseas dividends are included gross of withholding tax recoverable.

Interest receivable on deposits is accounted for on an accrual basis.

(f) Dividends payable

Interim dividends are recognised when the Company pays the dividend. Final dividends are recognised in the period in which they are approved by the shareholders. This year, as was also the case last year, a second interim dividend is being paid in substitution for a final dividend.

(g) Expenses

All expenses are accounted for on an accruals basis and are charged as follows:

- the investment management fee is charged 20% to revenue and 80% to capital;
- CFD finance costs are charged 20% to revenue and 80% to capital;
- investment transactions costs are allocated to capital; and
- other expenses are charged wholly to revenue.

NOTES TO THE ACCOUNTS

continued

2. ACCOUNTING POLICIES continued

(h) Taxation

The tax expense represents the sum of the tax currently payable and deferred tax. The tax currently payable is based on the taxable profit for the year. Taxable profit differs from net profit as reported in the Income Statement because it excludes items of income or expenses that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that were applicable at the financial reporting date.

Where expenses are allocated between capital and revenue any tax relief in respect of the expenses is allocated between capital and revenue returns on the marginal basis using the Company's effective rate of corporation taxation for the relevant accounting period.

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the financial reporting date, where transactions or events that result in an obligation to pay more tax in the future or right to pay less tax in the future have occurred at the financial reporting date. This is subject to deferred tax assets only being recognised if it is considered more likely than not that there will be suitable profits from which the future reversal of the timing differences can be deducted. Deferred tax assets and liabilities are measured at the rates applicable to the legal jurisdictions in which they arise.

(i) Other receivables and other payables

Other receivables and other payables do not carry any interest and are short term in nature and are accordingly stated at their nominal value.

(j) Segmental reporting

The Directors are of the opinion that the Company is engaged in a single segment of business, that of an investment trust, as disclosed in note 1.

(k) Accounting estimates, judgements and assumptions

The preparation of financial statements requires the Directors to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements. Although these estimates are based on management's best knowledge of current facts, circumstances and, to some extent, future events and actions, the Company's actual results may ultimately differ from those estimates, possibly significantly.

There have not been any instances requiring any significant estimates or judgements in the year.

(l) Cash and cash equivalents

Cash comprises cash and demand deposits. Cash equivalents, including bank overdrafts and short-term, highly liquid investments that are readily convertible to known amounts of cash, are subject to insignificant risks of changes in value, and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

(m) Cash collaterals

Cash collaterals are held in segregated accounts on behalf of brokers against the CFDs. Cash collaterals are accounted for and shown on the Statement of Financial Position either as a receivable or payable, depending on whether cash is due from or due to the broker.

(n) Reserves

Capital reserves

Profits/(losses) from selling investments and changes in fair value arising upon the revaluation of investments that remain in the portfolio are shown in the capital column of the Income Statement and allocated to the capital reserve. Capital reserves attributable to realised profits are distributable.

Special distributable reserve

As stated in the Company's prospectus dated 13 November 2015, in order to increase the distributable reserves available to facilitate the flexibility and source of future dividends, the Company resolved that, conditional upon First Admission to listing on the London Stock Exchange and the approval of the Court, the net amount standing to the credit of the share premium account of the Company immediately following completion of the First Issue be cancelled and transferred to a special distributable reserve. This reserve is distributable.

NOTES TO THE ACCOUNTS

continued

2. ACCOUNTING POLICIES continued

Revenue reserves

The revenue reserve reflects all income and expenditure recognised in the revenue column of the Income Statement and is distributable by way of dividends.

Share premium

The Company's share premium is the excess of the issue price of the share over its nominal value on shares issued subsequent to the First Issue. The share premium is not available for distribution.

3. INVESTMENTS

(a) Summary of valuation

	As at 31 October 2024 £'000	As at 31 October 2023 £'000
Investments listed on a recognised overseas investment exchange	258,478	231,987
	258,478	231,987

(b) Movements

During the year ended 31 October 2024

	2024 £'000	2023 £'000
Book cost at the beginning of the year	207,351	193,801
Revaluation gains on equity investments held at beginning of the year	24,636	5,841
Valuation at beginning of the year	231,987	199,642
Purchases at cost	63,321	55,890
Sales:		
– proceeds	(63,162)	(48,229)
– gains on investment holdings sold during the year	15,407	5,889
Movements in revaluation gains on investments held at year end	10,925	18,795
Valuation at end of the year	258,478	231,987
Book cost at end of the year	222,917	207,351
Revaluation gains on equity investments held at year end	35,561	24,636
Valuation at end of the year	258,478	231,987

Transaction costs on investment purchases for the year ended 31 October 2024 amounted to £26,500 (2023: £26,000) and on investment sales for the year amounted to £27,200 (2023: £22,000).

The Company received £63,162,000 (2023: £48,229,000) from investments sold during the year. The book cost of these investments when they were purchased was £47,755,000 (2023: £42,340,000). These investments have been revalued over time and until they were sold any unrealised gains/losses were included in the fair value of the investments.

NOTES TO THE ACCOUNTS

continued

3. INVESTMENTS continued

(c) Gains/(Losses) on investments

	Year ended 31 October 2024 £'000	Year ended 31 October 2023 £'000
Gains on equity investment holdings sold during the year	15,407	5,889
Movements in revaluation gains on investment held at year end	10,925	18,795
Other capital gains/(losses)	3	(40)
Total gains on equity investments held at fair value	26,335	24,644
Realised gains on CFD assets and liabilities	122	7,656
Unrealised gains on CFD assets and liabilities	7,975	135
Total gains on investments held at fair value	34,432	32,435

4. INCOME

	Year ended 31 October 2024 £'000	Year ended 31 October 2023 £'000
Income from investments:		
Overseas dividends	9,278	9,215
Deposit interest	79	68
Total	9,357	9,283

Overseas dividend income is translated into sterling on receipt.

5. INVESTMENT MANAGEMENT FEE

	Year ended 31 October 2024 £'000	Year ended 31 October 2023 £'000
Fee:		
20% charged to revenue	400	343
80% charged to capital	1,599	1,372
Total	1,999	1,715

The Company's Investment Manager during the financial year is Chikara Investments LLP. The Investment Manager is entitled to receive a management fee payable monthly in arrears which until 31 October 2024 was payable at the rate of one-twelfth of 0.75% of net assets per calendar month. With effect from 1 November 2024, the Company's management fee is calculated on a tiered basis of 0.75% per annum on the first £300 million of net assets and 0.60% on net assets in excess of £300 million. There is no performance fee payable to the Investment Manager.

NOTES TO THE ACCOUNTS

continued

6. OTHER EXPENSES

	Year ended 31 October 2024 £'000	Year ended 31 October 2023 £'000
Secretarial services	48	48
Administration and other expenses	525	474
Auditor's remuneration – statutory audit services	41	37 ¹
Directors' fees	145	156
Other expenses – Revenue	759	715

¹ For the year ended 31 October 2023, this excludes an additional £4,500 (excluding VAT) paid by Apex for extra statutory audit work performed by the Auditor.

7. FINANCE COSTS

	Year ended 31 October 2024 £'000	Year ended 31 October 2023 £'000
Interest paid – 100% charged to revenue	39	20
CFD finance cost and structuring fee – 20% charged to revenue	57	42
Structuring fees – 20% charged to revenue	1	1
	97	63
CFD finance cost and structuring fee – 80% charged to capital	230	169
Structuring fees – 80% charged to capital	4	4
	234	173
Total finance costs	331	236

8. TAXATION

	Year ended 31 October 2024			Year ended 31 October 2023		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
(a) Analysis of tax charge in the year:						
Overseas withholding tax	928	–	928	921	–	921
Total tax charge for the year (see note 8 (b))	928	–	928	921	–	921

NOTES TO THE ACCOUNTS

continued

8. TAXATION continued

(b) Factors affecting the tax charge for the year:

The effective UK corporation tax rate for the year is 25.00% (2023: 23.00%). The tax charge for the Company differs from the charge resulting from applying the standard rate of UK corporation tax for an investment trust company. The differences are explained below:

	Year ended 31 October 2024			Year ended 31 October 2023		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Total return before taxation	8,101	30,758	38,859	8,162	31,099	39,261
Effective UK corporation tax at 25.00% (2023: 23.00%)	2,025	7,690	9,715	1,877	7,153	9,030
Effects of:						
Overseas withholding tax suffered	928	–	928	921	–	921
Non-taxable overseas dividends	(2,320)	–	(2,320)	(2,119)	–	(2,199)
Capital gains not subject to tax	–	(8,148)	(8,148)	–	(7,509)	(7,509)
Finance costs not tax deductible	24	59	83	14	40	54
Movement in unutilised management expenses	271	399	670	228	316	544
Total tax charge for the year	928	–	928	921	–	921

The Company has an unrecognised deferred tax asset of £1,543,000 (2023: £1,441,000) based on the long-term prospective corporation tax rate of 25% (2023: 25%). This asset has accumulated because deductible expenses exceeded taxable income for the year ended 31 October 2024. No asset has been recognised in the accounts because, given the composition of the Company's portfolio, it is unlikely that this asset will be utilised in the foreseeable future. The Company has not provided for deferred tax on any tax losses.

9. DIVIDEND

(i) Dividends paid during the financial year

	Year ended 31 October 2024 £'000	Year ended 31 October 2023 £'000
Second Interim – year ended 31 October 2023 3.75p (2022: 3.50p)	5,052	4,716
Interim dividend – year ended 31 October 2024 1.60p (2023: 1.55p)	2,156	2,088
Total	7,208	6,804

(ii) The dividend relating to the year ended 31 October 2024, which is the basis on which the requirements of Section 1159 of the Corporation Tax Act 2010 are considered, is detailed below:

	Year ended 31 October 2024		Year ended 31 October 2023	
	Pence per Ordinary Share	£'000	Pence per Ordinary Share	£'000
Interim dividend	1.60p	2,156	1.55p	2,088
Second interim dividend ¹	3.85p	5,187	3.75p	5,052
	5.45p	7,343	5.30p	7,140

¹ Not included as a liability in the year ended 31 October 2024 accounts.

The Directors have declared a second interim dividend for the financial year ended 31 October 2024 of 3.85p per ordinary share. The dividend will be paid on 3 March 2025 to shareholders on the register at the close of business on 31 January 2025.

NOTES TO THE ACCOUNTS

continued

10. OTHER DEBTORS

	As at 31 October 2024 £'000	As at 31 October 2023 £'000
Accrued income	3,588	3,552
Sales for settlement	239	–
VAT receivable	193	128
Prepayments	42	70
Total	4,062	3,750

11. OTHER CREDITORS

	As at 31 October 2023 £'000	As at 31 October 2023 £'000
Amounts falling due within one year:		
Purchases for future settlement	–	200
Accrued finance costs	24	15
Accrued expenses	267	319
Total	291	534

12. 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 31 October 2024		As at 31 October 2023	
	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
Closing balance	134,730,610	1,348	134,730,610	1,348

Since the year end, the Company has not issued any ordinary shares and there were 134,730,610 ordinary shares in issue as at 21 January 2025.

NOTES TO THE ACCOUNTS

continued

13. RETURN PER ORDINARY SHARE

Total return per ordinary share is based on the return on ordinary activities, including income, a profit for the year after taxation of £37,931,000 (2023: profit of £38,340,000) and the weighted average number of ordinary shares in issue for the year to 31 October 2024 of 134,730,610 (2023: 134,730,610).

The returns per ordinary share were as follows:

	As at 31 October 2024			As at 31 October 2023		
	Revenue	Capital	Total	Revenue	Capital	Total
Return per ordinary share	5.32p	22.83p	28.15p	5.37p	23.08p	28.45p

14. NET ASSET VALUE PER SHARE

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

NAV per Ordinary Share

	As at 31 October 2024	As at 31 October 2023
Net Asset Value (£'000)	265,841	235,118
Ordinary shares in issue	134,730,610	134,730,610
NAV per ordinary share	197.31p	174.51p

15. RELATED PARTY TRANSACTIONS

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

The Company provides additional information concerning its relationship with the Investment Manager and its former AIFM, Chikara Investments LLP. The fees for the period are disclosed in note 5 and amounts outstanding at the year ended 31 October 2024 were £171,000 (2023: £151,000).

Research purchasing agreement

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, was US \$31,000 (31 December 2023: US \$34,000). The research charge for the year 1 January 2025 to 31 December 2025, as budgeted by the Investment Manager, is US \$31,000.

Directors' fees and shareholdings

The Directors' fees and shareholdings are disclosed in the Directors' Remuneration Implementation Report on pages 38 to 41 in this Annual Report.

NOTES TO THE ACCOUNTS

continued

16. FINANCIAL INSTRUMENTS AND CAPITAL DISCLOSURES

Risk Management Policies and Procedures

As an investment trust the Company invests in equities and equity related derivatives for the long term so as to secure its investment objective stated on page 2. In pursuing its investment objective, the Company is exposed to a variety of risks that could result in either a reduction in the Company's net assets or a reduction of the profits available for dividends.

These risks include market risk (comprising currency risk, interest rate risk, and other price risk), liquidity risk, and credit risk, and the Directors' approach to the management of them is set out follows.

The objectives, policies and processes for managing the risks, and the methods used to measure the risks, are set out below.

(a) Market Risk

Economic conditions

Changes in economic conditions in Japan (for example, interest rates and rates of inflation, industry conditions, competition, political events and other factors) and in the countries in which the Company's investee companies operate could substantially and adversely affect the Company's prospects. The Company is subject to concentration risk as it only invests in Japanese companies but has diversified investments across the different sectors in the Japanese market.

Sectoral diversification

The Company has no limits on the amount it may invest in any sector. This may lead to the Company having significant concentrated exposure to portfolio companies in certain business sectors from time to time.

Concentration of investments in any one sector may result in greater volatility in the value of the Company's investments and consequently its NAV and may materially and adversely affect the performance of the Company and returns to shareholders.

Unquoted companies

The Company may invest in unquoted companies from time to time. Such investments, by their nature, involve a higher degree of valuation and performance uncertainties and liquidity risks than investments in listed and quoted securities and they may be more difficult to realise. However, the Company does not currently hold and has never held any unquoted securities.

Management of market risk

The Company is invested in a diversified portfolio of investments. The Company's investment policy states that no single holding (including any derivative instrument) will represent more than 10% of the Company's Gross Assets at the time of investment and, when fully invested, the portfolio is expected to have between 30 to 40 holdings although there is no guarantee that this will be the case and it may contain a lesser or greater number of holdings at any time. A maximum of 10% of the Company's gross assets at the time of investment may be invested in unquoted or untraded companies at time of investment.

The Investment Manager's approach will in most cases achieve diversification across a number of sectors as shown in the Holdings in Portfolio on pages 23 and 24.

(b) Currency risk

The majority of the Company's assets will be denominated in a currency other than sterling (predominantly in yen) and changes in the exchange rate between sterling and yen may lead to a depreciation of the value of the Company's assets as expressed in sterling and may reduce the returns to the Company from its investments and, therefore, negatively impact the level of dividends paid to shareholders.

Management of currency risk

The Investment Manager monitors the currency risk of the Company's portfolio on a regular basis. Foreign currency exposure is regularly reported to the Board by the Investment Manager. The Company does not currently intend to enter into any arrangements to hedge its underlying currency exposure to investment denominated in yen, although the Investment Manager and the Board will keep this approach under regular review.

NOTES TO THE ACCOUNTS

continued

16. FINANCIAL INSTRUMENTS AND CAPITAL DISCLOSURES continued

Foreign currency exposures

An analysis of the Company's assets priced in yen are as follows:

	As at 31 October 2024 £'000	As at 31 October 2023 £'000
Equity Investments: yen	258,478	231,987
Receivables (due from brokers, dividends, and other income receivable)	3,827	3,552
CFD: yen (absolute exposure)	8,010	35
Cash and cash equivalent: yen	(4,849)	(3,640)
Total	265,466	231,934

Foreign currency sensitivity

If the Japanese yen had appreciated or depreciated by 10% as at 31 October 2024 (2023: 10%) then the value of the portfolio as at that date would have increased or decreased as shown below.

	Increase in Fair Value As at 31 October 2024 £'000	Decrease in Fair Value As at 31 October 2024 £'000	Increase in Fair Value As at 31 October 2023 £'000	Decrease in Fair Value As at 31 October 2023 £'000
Impact on capital return – increase/(decrease)	26,547	(26,547)	23,193	(23,193)
Return after taxation – increase/(decrease)	26,547	(26,547)	23,193	(23,193)

(c) Leverage risk

Derivative instruments

The Company may utilise long only CFDs or equity swaps for gearing and efficient portfolio management purposes. Leverage may be generated through the use of CFDs or equity swaps. Such financial instruments inherently contain much greater leverage than a non-margined purchase of the underlying security or instrument. This is due to the fact that, generally, only a very small portion (and in some cases none) of the value of the underlying security or instrument is required to be paid in order to make such leveraged investments. As a result of any leverage employed by the Company, small changes in the value of the underlying assets may cause a relatively large change in the Net Asset Value of the Company. Many such financial instruments are subject to variation or other interim margin requirements, which may force premature liquidation of investment positions.

Borrowing risks

The Company may use borrowings to seek to enhance investment returns. While the use of borrowings can enhance the total return on the ordinary shares where the return on the Company's underlying assets is rising and exceeds the cost of borrowing, it will have the opposite effect where the return on the Company's underlying assets is rising at a lower rate than the cost of borrowing or falling, further reducing the total return on the ordinary shares. As a result, the use of borrowings by the Company may increase the volatility of the Net Asset Value per ordinary share. The Company had no borrowings at the year end.

Any reduction in the value of the Company's investments may lead to a correspondingly greater percentage reduction in its Net Asset Value (which is likely to adversely affect the price of an ordinary share). Any reduction in the number of ordinary shares in issue (for example, as a result of buy backs) will, in the absence of a corresponding reduction in borrowings, result in an increase in the Company's level of gearing.

To the extent that a fall in the value of the Company's investments causes gearing to rise to a level that is not consistent with the Company's gearing policy or borrowing limits, the Company may have to sell investments in order to reduce borrowings, which may give rise to a significant loss of value compared with the book value of the investments, as well as a reduction in income from investments.

NOTES TO THE ACCOUNTS

continued

16. FINANCIAL INSTRUMENTS AND CAPITAL DISCLOSURES continued

Management of leverage risk

The aggregate of borrowings and long only CFDs and equity swap exposure will not exceed 25% of Net Asset Value at the time of drawdown of the relevant borrowings or entering into the relevant transaction, as appropriate, although the Company's normal policy will be to utilise and maintain gearing to a lower limit of 20% of Net Asset Value at the time of drawdown of the relevant borrowings or entering into the relevant transaction, as appropriate. It is expected that any borrowings entered into will principally be denominated in yen.

The Company's level of gearing as at 31 October 2024 is disclosed in the Alternative Performance Measures section on page 74 of this Annual Report.

(d) Interest rate risk

The Company is exposed to interest rate risk specifically through its cash holdings and on positions within the CFD portfolio. Interest rate movements may affect the level of income receivable from any cash at bank and on deposits. The effect of interest rate changes on the earnings of the companies held within the portfolio may have a significant impact on the valuation of the Company's investments. Movements in interest rates will also have an impact on the valuation of the CFD derivative contracts. Interest receivable on cash balances or paid on overdrafts is at fixed rate.

Management of interest rate risk

The possible effects on Fair Value and cash flows that could arise as a result of changes in interest rates are taken into account when making investment decisions. Derivative contracts are not used to hedge against the exposure to interest rate risk.

Interest income earned on deposits and paid on overdraft by the Company is primarily derived from fixed interest rates, and as such does not have a material exposure to interest rate risk.

The bank overdraft is an integral part of cash management and the Company has a legal right of offset and has the intention to settle this at net.

Interest rate exposure

The exposure at 31 October 2024 of financial assets and liabilities to interest rate risk is shown by reference to floating interest rates – when the interest rate is due to be reset. Due to the current low interest rate environment in Japan, no sensitivity analysis is shown as the total impact will not be material.

	As at 31 October 2024 due within one year £'000	As at 31 October 2023 due within one year £'000
Exposure to floating interest rates: CFD derivative contract – (absolute exposure)	51,153	46,397
Collateral paid in respect of CFDs	413	806

(e) Credit risk

Credit risk is the possibility of a loss to the Company due to the failure of the counterparty to a transaction discharging its obligations under that transaction.

Cash and other assets held by the Depositary

The cash and other assets held by the Depositary or its sub-custodians are subject to counterparty credit risk as the Company's access to its cash could be delayed should the counterparties become insolvent or bankrupt.

Derivative instruments

The Company's holdings in CFD contracts present counterparty credit risks, with the risk of the counter party (Morgan Stanley & Co International plc) defaulting.

NOTES TO THE ACCOUNTS

continued

16. FINANCIAL INSTRUMENTS AND CAPITAL DISCLOSURES continued

Management of credit risk

Cash and other assets held by the Depositary

Cash and other assets that are required to be held in custody will be held by the depositary or its sub-custodians. Cash and other assets may not be treated as segregated assets and will therefore not be segregated from any custodian's own assets in the event of the insolvency of a custodian. Cash held with any custodian will not be treated as client money subject to the rules of the Financial Conduct Authority ("FCA") and may be used by a custodian in the course of its own business. The Company will therefore be subject to the creditworthiness of its custodians. In the event of the insolvency of a custodian, the Company will rank as a general creditor in relation thereto and may not be able to recover such cash in full, or at all. The Company has appointed Northern Trust Investor Services Limited as its depositary. The credit rating of Northern Trust was reviewed at time of appointment and will be reviewed on a regular basis by the Investment Manager and/or the Board. The Fitch's credit rating of Northern Trust is AA-.

Derivative instruments

Where the Company utilises CFDs or equity swaps, it is likely to take a credit risk with regard to the parties with whom it trades and may also bear the risk of settlement default. These risks may differ materially from those entailed in exchange-traded transactions that generally are backed by clearing organisation guarantees, daily marking-to-market and settlement, and segregation and minimum capital requirements applicable to intermediaries. Transactions entered into directly between counterparties generally do not benefit from such protections and expose the parties to the risk of counterparty default. CFD contracts generally require variation margins, and the counterparty credit risk is monitored by the Investment Manager.

The Investment Manager monitors the Company's exposure to its counterparties on a regular basis and the position is reviewed by the Directors at Board meetings. Investment transactions are carried out with a number of brokers, whose credit-standing is reviewed periodically by the Investment Manager, and limits are set on the amount that may be due from any one broker.

In summary, the exposure to credit risk as at 31 October 2024 was as follows:

	As at 31 October 2024 3 months or less £'000	As at 31 October 2023 3 months or less £'000
Cash at bank	4,006	340
Amounts due in respect of CFDs	8,027	773
Collateral paid in respect of CFDs	413	806
Debtors	4,062	3,750
Total	16,508	5,669

None of the above assets or liabilities was impaired or past due but not impaired.

NOTES TO THE ACCOUNTS

continued

16. FINANCIAL INSTRUMENTS AND CAPITAL DISCLOSURES continued

(f) Other Price Risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting similar financial instruments traded in the market.

The Company is exposed to market price risk arising from its equity investments and its exposure to the positions within the CFD portfolio. The movements in the prices of these investments result in movements in the performance of the Company.

The Company's exposure to other changes in market prices at 31 October 2024 of its equity investments was £258,478,000 (2023: £231,987,000). In addition, the Company's gross market exposure to these price changes through its CFD portfolio was £51,153,000 through long positions (2023: £46,397,000).

The Company uses CFDs as part of its investment policy. These instruments can be highly volatile and potentially expose investors to a higher risk of loss. The low initial margin deposits normally required to establish a position in such instruments permit a high degree of leverage. As a result, a relatively small movement in the price of a contract may result in a profit or loss which is high in proportion to the value of the net exposures in the underlying CFD positions. In addition, daily limits on price fluctuations and speculative position limits on exchanges may prevent prompt liquidation of positions resulting in potentially greater losses.

The Company limits the gross market exposure, and therefore the leverage, of this strategy to approximately 200% of the Company's net assets. The CFDs utilised have a linear performance to referenced stocks quoted on exchanges and therefore have the same volatility profile to the underlying stocks.

Market exposure to derivative contracts is disclosed below.

The Company's exposure to CFDs is the aggregate of long CFD Positions. The gross and net market exposure is the same as the Company does not hold Short CFD Positions.

Exposures are monitored daily by the Investment Manager. The Company's Board also reviews exposures regularly. The gross underlying notional exposures within the CFD portfolio as at 31 October 2024 were:

	As at 31 October 2024		As at 31 October 2023	
	£'000	% of net assets	£'000	% of net assets
CFDs – (absolute exposure)	51,153	19.24%	46,397	19.73%
CFDs – (net exposure)	51,153	19.24%	46,397	19.73%

The Board of Directors manages the market price risks inherent in the investment portfolio by ensuring full and timely access to relevant information from the Investment Manager. The Board meets regularly and at each meeting reviews investment performance. The Board monitors the Investment Manager's compliance with the Company's objective.

Concentration of exposure to other price risk

A sector breakdown of the portfolio can be found on page 25.

NOTES TO THE ACCOUNTS

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16. FINANCIAL INSTRUMENTS AND CAPITAL DISCLOSURES continued

Other price risk sensitivity

The following table illustrates the sensitivity of the profit after taxation for the period to an increase or decrease of 10% in the fair values of the Company's equities and CFDs. This level of change is considered to be reasonably possible based on observation of current market conditions. The sensitivity analysis is based on the notional exposure of the Company's equities investments and long CFDs.

	As at 31 October 2024		As at 31 October 2023	
	Increase in Fair Value £'000	Decrease in Fair Value £'000	Increase in Fair Value £'000	Decrease in Fair Value £'000
Impact on capital return – increase/(decrease)	30,162	(30,162)	27,835	(27,835)
Return after taxation – increase/(decrease)	30,162	(30,162)	27,835	(27,835)

(g) Liquidity Risk

The securities of small-to-medium-sized (by market capitalisation) companies may have a more limited secondary market than the securities of larger companies. Accordingly, it may be more difficult to effect sales of such securities at an advantageous time or without a substantial drop in price than it would be for securities of a company with a large market capitalisation and broad trading market. In addition, securities of small-to-medium-sized companies may have greater price volatility as they can be more vulnerable to adverse market factors such as unfavourable economic reports.

Management of liquidity risk

The Company's Investment Manager monitors the liquidity of the Company's portfolio on a regular basis.

Liquidity risk exposure

The undiscounted gross cash outflows of the financial liabilities as at 31 October 2024, based on the earliest date on which payment can be required, were as follows:

	As at 31 October 2024 less than 3 months £'000	As at 31 October 2023 less than 3 months £'000
Amounts payable in respect of CFDs	8,854	2,004
Other payables	291	534
Total	9,145	2,538

The Company is exposed to liquidity risks from the leverage employed through exposure to long only CFD positions. However, timely sale of trading positions can be impaired by many factors including decreased trading volume and increased price volatility. As a result, the Company could experience difficulties in disposing of assets to satisfy liquidity demands. Liquidity risk is minimised by holding sufficient liquid investments which can be readily realised to meet liquidity demands. The Company's liquidity risk is managed on a daily basis by the Investment Manager in accordance with established policies and procedures in place.

NOTES TO THE ACCOUNTS

continued

16. FINANCIAL INSTRUMENTS AND CAPITAL DISCLOSURES continued

(h) Fair Value Measurements of Financial Assets and Financial Liabilities

The financial assets and liabilities are either carried in the Statement of Financial Position at their Fair Value, or the Statement of Financial Position 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) on page 57.

The table below sets out Fair Value measurements using Fair Value Hierarchy.

31 December 2024	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Assets:				
Equity investments	255,765	2,713	–	258,478
CFDs – Unrealised Fair Value gains	–	8,027	–	8,027
Liabilities:				
CFDs – Unrealised Fair Value losses	–	(17)	–	(17)
Total	255,765	10,723	–	266,488

31 December 2023	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 year (2023: nil).

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 were no Level 3 investments as at 31 October 2024 (2023: nil).

NOTES TO THE ACCOUNTS

continued

16. FINANCIAL INSTRUMENTS AND CAPITAL DISCLOSURES continued

(i) Capital Management Policies and Procedures

The Company's capital management objectives are:

- to ensure that the Company will be able to continue as a going concern; and
- to provide dividend income combined with capital growth, mainly through investment in equities listed or quoted in Japan and by utilising the leverage effect of CFD.

The key performance indicators are contained in the strategic report on pages 10 and 11.

The Company is subject to several externally imposed capital requirements:

- As a public company, the Company has to have a minimum share capital of £50,000.
- In order to be able to pay dividends out of profits available for distribution by way of dividends, the Company has to be able to meet one of the two capital restriction tests imposed on investment companies by company law.

The Company's capital at 31 October 2024 comprises called up share capital and reserves totaling £265,841,000 (2023: £235,118,000).

The Board regularly monitors, and has complied with, the externally imposed capital requirements.

17. DISTRIBUTABLE RESERVES

The Company's distributable reserves consist of the Special reserve, Revenue reserve and Capital reserve attributable to realised profits. As at 31 October 2024, the total distributable Capital reserve was £58,319,000 (2023: £38,486,000), and the total undistributable Capital reserve was £35,561,000 (2023: £24,636,000).

Special reserve: As stated in the Company's prospectus dated 13 November 2015, in order to increase the distributable reserves available to facilitate the flexibility and source of future dividends, the Company resolved that, conditional upon First Admission to listing on the London Stock Exchange and the approval of the Court, the net amount standing to the credit of the share premium account of the Company immediately following completion of the First Issue be cancelled and transferred to a special distributable reserve. Following approval by the Court, the cancellation became effective on 23 March 2016 and an amount of £64,671,250 was transferred to the above Special reserve at that time.

The Special reserve is distributable.

18. POST BALANCE SHEET EVENTS

There were no post balance sheet events other than those already disclosed in this report.

GLOSSARY AND ALTERNATIVE PERFORMANCE MEASURES

Administrator	The Company's administrator, the current such administrator effective 1 January 2025 being Frostrow Capital LLP, and prior to that 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 an 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.
Absolute exposure	The absolute difference between the Company's long positions and short positions.
Bonus Issue	The distribution of subscription shares to qualifying shareholders. In this report pertinent to the issue to qualifying shareholders of new Transferable Subscription shares on the basis of one new Transferable Subscription Share for every five existing ordinary shares.
Cum-dividend	A dividend that has been declared but not yet paid out.
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 hold and 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.
Dividend	Income receivable from an investment in shares.

GLOSSARY AND ALTERNATIVE PERFORMANCE MEASURES (“APM”) continued

Discount (APM)

The amount, expressed as a percentage, by which the share price is less than the NAV per ordinary share.

As at 31 October 2024		Page	
NAV per ordinary share (pence)	a	2	197.3
Share price (pence)	b	2	178.8
Discount	(b÷a)-1		9.4%

As at 31 October 2023		Page	
NAV per ordinary share (pence)	a	2	174.5
Share price (pence)	b	2	162.5
Discount	(b÷a)-1		6.9%

Ex-dividend date

The date from which a shareholder is 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.

As at 31 October 2024		£'000
CFD notional market value ¹	a	51,153
Non-base cash borrowings ²	b	–
NAV	c	265,841
Gearing (net)	((a+b)/c)	19.2%

As at 31 October 2023		£'000
CFD notional market value ¹	a	46,397
Non-base cash borrowings ²	b	3,380
NAV	c	235,118
Gearing (net)	((a+b)/c)	21.2%

¹ CFD positions in underlying asset value.

² Non-base cash borrowings represents borrowings in Yen.

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.

GLOSSARY AND ALTERNATIVE PERFORMANCE MEASURES ("APM") continued

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.
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 31 October 2024		Gross £'000	Commitment £'000
Security market value	a	258,478	258,478
CFD notional market value	b	51,153	51,153
Cash and cash equivalents ¹	c	4,616	4,186
NAV	d	265,841	265,841
Leverage	(a+b+c)/d	118%	118%

As at 31 October 2023		Gross £'000	Commitment £'000
Security market value	a	231,987	231,987
CFD notional market value	b	46,397	46,397
Cash and cash equivalents ¹	c	3,841	321
NAV	d	235,118	235,118
Leverage	(a+b+c)/d	120%	119%

¹ Cash and cash equivalents represent gross overdraft and net overdraft with Northern Trust.

GLOSSARY AND ALTERNATIVE PERFORMANCE MEASURES (“APM”) continued

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.
Ongoing charges (APM)	A measure, expressed as a percentage of the regular, recurring annual costs of running an investment company.

Year end 31 October 2024		
Average NAV	a	266,974,122
Annualised expenses	b	2,758,000
Ongoing charges	(b÷a)	1.03%

Year end 31 October 2023		
Average NAV	a	228,765,739
Annualised expenses	b	2,430,000
Ongoing charges	(b÷a)	1.06%

Portfolio	A composition of different investment holdings 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 by a company of its 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 Share Price	The price at which the Transferable Subscription Share Rights are exercised in accordance with the terms and conditions of the Transferable Subscription shares.
Transferable Subscription Share Rights	The right conferred by each Transferable Subscription Share to subscribe for one ordinary share as detailed in the prospectus.
Transferable Subscription Shares (TSS)	The transferable subscription shares in the capital of the Company as a Bonus Issue.

GLOSSARY AND ALTERNATIVE PERFORMANCE MEASURES (“APM”) continued

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 takes into account both income and capital returns.

Year end 31 October 2024		Page	Share price	NAV
Opening at 1 November 2023 (in pence)	a	2	162.5	174.5
Closing at 31 October 2024 (in pence)	b	2	178.8	197.3
Price movement (b÷a)-1	c	n/a	10.0%	13.1%
Dividend reinvestment ¹	d	n/a	3.2%	3.0%
Total return	(c+d)		13.2%	16.1%

Year end 31 October 2023		Page	Share price	NAV
Opening at 1 November 2022 (in pence)	a	2	138.8	151.1
Closing at 31 October 2023 (in pence)	b	2	162.5	174.5
Price movement (b÷a)-1	c	n/a	17.1%	15.5%
Dividend reinvestment ¹	d	n/a	3.8%	3.4%
Total return	(c+d)		20.9%	18.9%

¹ 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 statistical measure of how much and how quickly an asset's price changes over time.

THE SECURITIES FINANCING TRANSACTIONS REGULATION (UNAUDITED)

The Securities Financing Transactions Regulation ("SFTR") came into effect on 12 January 2016. Article 13 requires information to be provided as to the use of securities financing transactions (SFTs) and total return swaps (TRS).

A Securities Financing Transaction ("SFT") is defined as per Article 3 (11) of the SFTR as:

- a repurchase transaction;
- securities or commodities lending and securities or commodities borrowing;
- a buy-sell back transaction or sell-buy back transaction; or
- a margin lending transaction.

As at 31 October 2024 the Company held the following types of SFTs: None (2023: None).

As at 31 October 2024 the Company held the following types of Total Return Swaps: Contracts for Difference (2023: Same).

The amount of securities and commodities on loan as a proportion of total lendable assets (excluding cash and cash equivalents) was 0% as at 31 October 2024 (2023: 0%).

GLOBAL DATA:

Type of Asset	Absolute Amount £'000	Proportion of AUM %
Security lending	Nil	Nil
Repo	Nil	Nil
Total return swap (CFDs)	51,153	17.2%

CONCENTRATION DATA:

The largest collateral issuer across all SFTs and Total Return Swaps is as follows:

Collateral Issuers	Volume of the collateral securities and commodities £'000
JPY Cash Collateral	8,424

The top counterparties across all SFTs and Total Return Swaps is as follows:

Counterparty	Gross volume of outstanding trades (£'000)
Morgan Stanley & Co Intl Plc	43,143
Macquarie Bank Limited	–

THE SECURITIES FINANCING TRANSACTIONS REGULATION (UNAUDITED) continued

AGGREGATE TRANSACTION DATA:

	Type of collateral	Quality	Currency	Maturity tenor (collateral)	Maturity tenor (SFTs/Total Return Swaps)	Country of counterparty establishment (<i>not collateral</i>)	Settlement and clearing
Total Return Swap							
Morgan Stanley & Co Intl Plc	Cash	High	JPY	<1 Day	>1 yr	UK	Bilateral
Macquarie Bank Limited	Cash	High	JPY	<1 Day	>1 yr	Australia	Bilateral

REUSE OF COLLATERAL:

The share of collateral that is reused is 0%, this is in comparison with the maximum of 0% as expressed in the prospectus.

The cash collateral reinvestment returns to the company were nil.

SAFEKEEPING – Collateral Received:

Custodian	Collateral assets safe-kept (£'000)
Northern Trust Global Services Limited	8,424

SAFEKEEPING – Collateral Granted:

The proportion of collateral held in segregated accounts, in pooled accounts or any other accounts is 0%.

RETURN/COSTS:

Type of Asset	Cost £'000	Absolute Returns £'000	% overall returns of Transaction Type
Alternative Investment Fund:			
Total Return Swaps	(287)	8,133	100
Manager of the Alternative Investment Fund:			
Third parties:	Nil	Nil	Nil

COMPANY INFORMATION

DIRECTORS

June Aitken (Chairman)
Kate Cornish-Bowden (Audit and Risk Committee
Chairman)
Craig Cleland (Senior Independent Director and
Nomination Committee Chairman)
John Charlton-Jones

BROKER

Peel Hunt LLP
100 Liverpool Street
London
EC2M 2AT

DEPOSITARY AND CUSTODIAN

Northern Trust Investor Services Limited
50 Bank Street
London
E14 5NT

REGISTRAR

MUFG Corporate Markets (Previously Link Group)
Central Square
29 Wellington Street
Leeds
LS1 4DL

LEGAL ADVISER

Stephenson Harwood LLP
1 Finsbury Circus
London
EC2M 7SH

INVESTMENT MANAGER

Chikara Investments LLP
31-32 St James's Street
London
SW1A 1HD
Website – www.chikarainvestments.com

REGISTERED OFFICE*

25 Southampton Buildings
London
WC2A 1AL

AIFM, ADMINISTRATOR and COMPANY SECRETARY (With effect from 1 January 2025)

Frostrow Capital LLP
25 Southampton Buildings
London
WC2A 1AL
Website – www.frostrow.com

AUDITOR

Johnston Carmichael LLP
7-11 Melville Street
Edinburgh
EH3 7PE

COMPANY SECURITY INFORMATION AND IDENTIFICATION CODES

WEBSITE	www.ccjapanincomeandgrowthtrust.com
ISIN	GB00BYSRMH16
SEDOL	BYSRMH1
BLOOMBERG TICKER	CCJI LN
LEGAL ENTITY IDENTIFIER (LEI)	549 300 FZANMYIORK 1K98
GLOBAL INTERMEDIARY IDENTIFICATION NUMBER (GIIN)	6 HEK HT-99999-SL-826

* Registered in England no. 9845783

NOTICE OF ANNUAL GENERAL MEETING (“AGM”)

Notice is hereby given that the Annual General Meeting of CC Japan Income & Growth Trust plc will be held on 3 March 2025 at 12 noon at the offices of Stephenson Harwood LLP, at 1 Finsbury Circus, London EC2M 7SH, United Kingdom for the following purposes:

To consider and if thought fit pass the following resolutions of which resolutions 1 to 11 will be proposed as ordinary resolutions and resolutions 12 to 14 will be proposed as special resolutions.

Ordinary resolutions

1. To receive the Company's Annual Report and Accounts for the year ended 31 October 2024, with the reports of the Directors and auditors thereon.
2. To approve the Directors' Remuneration Implementation Report included in the Annual Report for the year ended 31 October 2024.
3. To re-elect June Aitken as a Director of the Company.
4. To re-elect Kate Cornish-Bowden as a Director of the Company.
5. To re-elect Craig Cleland as a Director of the Company.
6. To re-elect John Charlton-Jones as a Director of the Company.
7. That the Company continues in existence as an investment company for a further three year period.
8. To authorise the Directors to declare and pay dividends on a semi-annual basis.
9. To re-appoint Johnston Carmichael LLP as Independent Auditor to the Company.
10. To authorise the Directors to fix the remuneration of the auditors until the conclusion of the next Annual General Meeting of the Company.
11. That the Directors be and are hereby generally and unconditionally authorised (in substitution for all subsisting authorities to the extent unused) to exercise all powers of the Company to allot relevant securities (as defined in section 551 of the Companies Act 2006) up to an aggregate nominal amount equal to £134,730.61 PROVIDED THAT the Directors may not allot relevant securities of an aggregate nominal amount more than 10% of the nominal value of the issued ordinary share capital (excluding Treasury shares) at the date of the Annual General Meeting and that this authority shall expire (unless previously varied, revoked or renewed by the Company in general meeting) at the conclusion of the Annual General Meeting of the Company to be held in 2026 or, if earlier, on the expiry of 15 months from the passing of this resolution (the “section 551 period”) but so that the Directors may, at any time prior to the expiry of the section 551 period, make an offer or agreement which would or might require relevant securities to be allotted after the expiry of the section 551 period and the Directors may allot relevant securities in the pursuance of such an offer or agreement as if the authority granted by this resolution had not expired.

Special resolutions

12. That, subject to the passing of resolution 11, in substitution for any existing power under section 570 of the Companies Act 2006 but without prejudice to the exercise of any such power prior to the date hereof, the Directors be and are hereby empowered, pursuant to section 570 of that Act, to allot and make offers or agreements to allot equity securities (as defined in section 560 of that Act) and/or sell equity securities held as Treasury shares pursuant to section 573 of that Act, in each case for cash pursuant to the authority and for the period of the authority conferred by resolution 11, up to an aggregate nominal amount of £134,730.61 as if section 561(1) of that Act did not apply to such allotment (subject to a maximum of 10% of the aggregate nominal value of the issued ordinary share capital at the date of this resolution).
13. That the Company be and is hereby generally and unconditionally authorised in accordance with section 701 of the Companies Act 2006 (“the Act”) to make market purchases (within the meaning of section 693(4) of the Act) of its ordinary shares of 1p each, provided that:

NOTICE OF ANNUAL GENERAL MEETING ("AGM") continued

- (a) the maximum number of ordinary shares hereby authorised to be purchased shall be 20,196,118 (representing 14.99 per cent of the Company's issued ordinary share capital (excluding shares held in Treasury) at the date of the notice of this meeting);
 - (b) the minimum price (exclusive of any expenses) which may be paid for an ordinary share is 1p;
 - (c) the maximum price (excluding expenses) which may be paid for an ordinary share is not more than the higher of (i) 5 per cent above the average of the middle market quotations for the ordinary shares for the five business days immediately before the day on which it purchases that share and (ii) the higher of the price of the last independent trade and the highest current independent bid for the ordinary shares;
 - (d) the authority hereby conferred shall expire at the conclusion of the Annual General Meeting of the Company in 2026 or, if earlier, on the expiry of 15 months from the passing of this resolution, unless such authority is renewed prior to such time; and
 - (e) the Company may make a contract to purchase ordinary shares under the authority hereby conferred prior to the expiry of such authority, which will or may be executed wholly or partly after the expiration of such authority and may make a purchase of ordinary shares pursuant to any such contract.
14. That a general meeting of the Company other than an Annual General Meeting may be called on not less than 14 days' notice, provided that this authority shall expire at the conclusion of the Company's next Annual General Meeting after the date of the passing of this resolution.

Registered Office:
25 Southampton Buildings
London
WC2A 1AL

By order of the Board
Frostrow Capital LLP
Company Secretary

21 January 2025

NOTES TO NOTICE OF ANNUAL GENERAL MEETING

Website address

1. Information regarding the meeting, including the information required by section 311A of the Companies Act 2006, is available from <https://ccjapanincomeandgrowthtrust.com>.

Entitlement to attend and vote

2. Only those holders of ordinary shares registered on the Company's register of members at close of business on 27 February 2025 or, if this meeting is adjourned, at close of business on the day two days prior to the adjourned meeting, shall be entitled to vote at the meeting.

Appointment of Proxies

3. Pursuant to Section 324 of the Companies Act 2006, a member entitled to attend and vote at the meeting may appoint more than one proxy, provided that each proxy is appointed to exercise the rights attached to different shares held by him. A proxy need not be a member of the Company.

If shareholders are not attending the AGM, shareholders are strongly urged to appoint the Chair as their proxy to vote on their behalf.

Section 324 does not apply to persons nominated to receive information rights pursuant to Section 146 of the Companies Act 2006. Persons nominated to receive information rights under Section 146 of the Companies Act 2006 have been sent this notice of meeting and are hereby informed, in accordance with Section 149(2) of the Companies Act 2006, that they may have the right under an agreement with the registered member by whom they are nominated to be appointed, or to have someone else appointed, as a proxy for this meeting. If they have such right or do not wish to exercise it, they may have a right under such an agreement to give instructions to the member as to the exercise of voting rights.

Nominated persons should contact the registered member by whom they were nominated in respect of these arrangements. The statement of rights of shareholders in relation to the appointment of proxies does not apply to nominated persons.

Proxies' rights to vote

4. On a vote on a show of hands, each proxy has one vote.

If a proxy is appointed by more than one member and all such members have instructed the proxy to vote in the same way, the proxy will only be entitled, on a show of hands, to vote "for" or "against" as applicable. If a proxy is appointed by more than one member, but such members have given different voting instructions, the proxy may, on a show of hands, vote both "for" and "against" in order to reflect the different voting instructions.

On a poll, all or any of the voting rights of the member may be exercised by one or more duly appointed proxies. However, where a member appoints more than one proxy, Section 285(4) of the Companies Act does not authorise the exercise by the proxies taken together of more extensive voting rights than could be exercised by the member in person.

Voting on the Resolution will be conducted by way of a poll.

As soon as practicable following the meeting, the results of the voting will be announced via a regulatory information service and also placed on the Company's website.

Voting by corporate representatives

5. Corporate representatives are entitled to attend and vote on behalf of the corporate member in accordance with Section 323 of the Companies Act provided they do not do so in relation to the same shares.

NOTES TO NOTICE OF ANNUAL GENERAL MEETING

continued

Receipt and termination of proxies

6. The Form of Proxy and any power of attorney (or a notarially certified copy or office copy thereof) under which it is executed must be received by MUFG Corporate Markets ("MUFG") at 12 noon on 27 February 2025 in respect of the meeting. Any Forms of Proxy received before such time will be deemed to have been received at such time. In the case of an adjournment, the Form of Proxy must be received by MUFG no later than 48 hours before the rescheduled meeting. We strongly urge you to appoint the Chair of the meeting as your proxy. On completing the Form of Proxy, sign it and return it to MUFG at the address shown on the Form of Proxy in the envelope provided. As postage has been pre-paid no stamp is required.

A member may terminate a proxy's authority at any time before the commencement of the AGM. Termination must be provided in writing and submitted to the Company's Registrar. In accordance with the Company's Articles of Association, in determining the time for delivery of proxies, no account shall be taken of any part of a day that is not a working day.

Alternatively, you may appoint a proxy or proxies electronically by visiting <https://www.signalshares.com/>. You will need to register using your investor code and follow the instructions on how to vote. Proxies submitted via www.signalshares.com for the AGM must be transmitted so as to be received by the Company's Registrar, MUFG, no later than 48 hours before the time appointed for the meeting (excluding weekends and public holidays) or any adjournment of the meeting. Proxies received after that date will not be valid.

If you are an institutional investor you may be able to appoint a proxy electronically via the Proxymity platform, a process which has been agreed by the Company and approved by the Registrar. For further information regarding Proxymity, please go to www.proxymity.io. Your proxy must be lodged by 12.00 noon on 27 February 2025 in order to be considered valid or, if the meeting is adjourned, by the time which is 48 hours before the time of the adjourned meeting. Before you can appoint a proxy via this process you will need to have agreed to Proxymity's associated terms and conditions. It is important that you read these carefully as you will be bound by them and they will govern the electronic appointment of your proxy. An electronic proxy appointment via the Proxymity platform may be revoked completely by sending an authenticated message via the platform instructing the removal of your proxy vote.

Appointment of Proxy through CREST

7. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the meeting to be held on the above date and any adjournment(s) thereof by using the procedures described in the CREST Manual. CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & International Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by the Company's agent (ID: RA10) by the latest time(s) for receipt of proxy appointments specified in the notice of meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the Company's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to a proxy's appointee through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & International Limited does not make available special procedures in CREST for any particular messages.

Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

NOTES TO NOTICE OF ANNUAL GENERAL MEETING

continued

The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5) (a) of the Uncertificated Securities Regulations 2001.

All messages relating to the appointment of a proxy or an instruction to a previously appointed proxy, which are to be transmitted through CREST, must be lodged at 12 noon on 27 February 2025 in respect of the meeting. Any such messages received before such time will be deemed to have been received at such time. In the case of an adjournment, all messages must be lodged with MUFG no later than 48 hours before the rescheduled meeting.

Unless otherwise indicated on the Form of Proxy, CREST, Proxymity or any other electronic voting instruction, the proxy will vote as they think fit or, at their discretion, withhold from voting.

Nominated Persons

8. If you are a person who has been nominated under section 146 of the Companies Act 2006 to enjoy information rights:
- You may have a right under an agreement between you and the member of the Company who has nominated you to have information rights (Relevant Member) to be appointed or to have someone else appointed as a proxy for the meeting.
 - If you either do not have such a right or if you have such a right but do not wish to exercise it, you may have a right under an agreement between you and the Relevant Member to give instructions to the Relevant Member as to the exercise of voting rights.
 - Your main point of contact in terms of your investment in the Company remains the Relevant Member (or, perhaps, your custodian or broker) and you should continue to contact them (and not the Company) regarding any changes or queries relating to your personal details and your interest in the Company (including any administrative matters). The only exception to this is where the Company expressly requests a response from you.

If you are not a member of the Company but you have been nominated by a member of the Company to enjoy information rights, you do not have a right to appoint any proxies under the procedures set out in the notes to the form of proxy.

Questions at the Meeting

9. Under section 319A of the Companies Act 2006, the Company must answer any question you ask relating to the business being dealt with at the meeting unless:
- answering the question would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information;
 - the answer has already been given on a website in the form of an answer to a question; or
 - it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.

If shareholders would like to ask any questions prior to the meeting, shareholders are invited to submit their questions to cosec@frostrow.com. Please note all questions should be submitted by close of business on 28 February 2025.

Issued shares and total voting rights

10. The total number of shares in the Company in respect of which members are entitled to exercise voting rights is 134,730,610 ordinary shares of £0.01 each, of which 0 is held in Treasury. The total number of voting rights in relation to the ordinary shares in the Company is 134,730,610.

NOTES TO NOTICE OF ANNUAL GENERAL MEETING

continued

Communication

11. Except as provided above, members who have general queries about the meeting should use the following means of communication (no other methods of communication will be accepted):

- calling MUFG's shareholder helpline (lines are open from 9:00 a.m. to 5:30 p.m. Monday to Friday, excluding public holidays in England and Wales) +44 371 664 0300 (calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate;
- emailing MUFG at shareholderenquiries@cm.mpms.mufg.com; or
- in writing to MUFG at Central Square, 29 Wellington Street, Leeds, LS1 4DL. You may not use any electronic address provided either in this notice of meeting or in any related documents (including the Form of Proxy for this meeting) to communicate with the Company for any purposes other than those expressly stated.

CC JAPAN INCOME & GROWTH TRUST PLC

FORM OF PROXY

I/We
of
(BLOCK CAPITALS PLEASE)

being (a) member(s) of CC Japan Income & Growth Trust plc appoint the Chair of the meeting, or
(see note 1)
of

as my/our proxy and, on a poll, to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held on 3 March 2025 at 12 noon and any adjournment thereof.

Please indicate with an 'X' in the spaces provided how you wish your votes to be cast on the resolutions specified.

	Resolution	For	Against	Withheld	Discretionary
1.	To receive and adopt the Annual Report and Accounts for the year ended 31 October 2024				
2.	To approve the Directors' remuneration implementation report				
3.	To re-elect June Aitken as a Director of the Company				
4.	To re-elect Kate Cornish-Bowden as a Director of the Company				
5.	To re-elect Craig Cleland as a Director of the Company				
6.	To re-elect John Charlton-Jones as a Director of the Company				
7.	That the Company continues in existence as an investment company for a further three year period				
8.	To authorise the Directors to declare and pay dividends on a semi-annual basis				
9.	To re-appoint Johnston Carmichael LLP as Independent Auditor to the Company				
10.	To authorise the Directors to fix the remuneration of the Independent Auditor				
11.	To give authority to allot new shares				
12.	To give authority to allot new shares free from pre-emption rights				
13.	To give authority for the Company to purchase its own shares				
14.	To authorise calling general meetings (other than Annual General Meetings) on 14 clear days' notice				

Subject to any voting instructions so given the proxy will vote, or may abstain from voting, on any resolution as he may think fit.

Signature Dated this day of 2025

NOTES

1. If any other proxy is preferred, strike out the words "Chair of the Meeting" and add the name and address of the proxy you wish to appoint and initial the alteration. The proxy need not be a member.
2. If the appointer is a corporation this form must be completed under its common seal or under the hand of some officer or attorney duly authorised in writing.
3. A vote withheld is not a vote in law and will not be counted in the calculation of the proportion of the votes for or against a resolution.
4. The signature of any one of joint holders will be sufficient, but the names of all the joint holders should be stated.
5. To appoint more than one proxy you may photocopy this form. Please indicate the proxy holder's name and the number of shares in relation to which they are authorised to act as your proxy (which, in aggregate, should not exceed the number of shares held by you). Please also indicate if the proxy instruction is one of multiple instructions being given. All forms must be signed and should be returned together in the same envelope.
6. To be valid, this form and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power, must reach the registrars of the Company, MUFG not less than forty-eight hours before the time appointed for holding the Annual General Meeting or adjournment as the case may be.
7. The completion of this form will not preclude a member from attending the Meeting and voting in person.
8. Any alteration of this form must be initialled. Your completed and signed proxy form should be posted, in the enclosed reply paid envelope, to the Company's Registrars, MUFG, PXS 1, MUFG, Central Square, 29 Wellington Street, Leeds, LS1 4DL, so as to arrive by 12 noon on 27 February 2025.



