TwentyFour Income Fund Limited
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Interim results for the six-months ended 30 September 2024

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TwentyFour Income Fund Limited (â€œTFIFâ€ or â€œthe Companyâ€), the FTSE 250-listed investment Company that invests in less liquid asset-backed securities (â€œABSâ€) in the UK and Europe, is pleased to announce its Interim Results for the six-months ended 30 September 2024.
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Financial highlights

- NAV per ordinary share increased 1.6% to 110.50p (FY 31 March 2024: 108.97p)
- NAV return per ordinary share was 7.05% (FY 31 March 2024: 18.10%)
- Total net assets rose to Â£826.4m (FY 31 March 2024: Â£813.54m)
- The portfolio returned 8.37% for the six months compared to 16.57% for the full year to 31 March 2024
- Dividend payments of 4p for the period ended 30 September 2024, in line with the target 8p per annum and before payment of the final, balancing dividend at the year end
- Average discount over the period was 4.27%, significantly closer to NAV than the wider investment company universe

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Portfolio highlights

- Strong ABS performance across the board as spreads tightened driven by robust supply and demand
- Collateralised Loan Obligations (â€œCLOsâ€) were the biggest beneficiary â€“ B and BB CLOs delivered returns of 17% and 12% respectively
- TwentyFour Asset Management LLP (the â€œPortfolio Managerâ€) continues to allocate to significant risk transfer (â€œSRTâ€) transactions, where it sees strong relative value and which also deliver additional diversification to the portfolio
- Proactive engagement by the Portfolio Manager on ABS ESG credentials to meet with investor demands
- Portfolio book yield of 12.07% and mark-to-market yield of 12.17% at the end of the period

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Outlook

The Portfolio Manager expects a healthy pipeline of ABS issuance for the remainder of the year, following record issuance to date, and sees good value in new BB and B rated CLO investments from top quartile managers. The Portfolio Manager continues to favour shorter dated, secured ABS from larger bank lenders and SRT transactions in order to maintain flexibility in the portfolio.
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The main risk to performance continues to be geopolitical risk generating uncertainty in the market. As such, the Portfolio Manager prefers to have greater levels of liquidity and lower levels of gearing allowing them to take advantage of opportunities that may arise in the event of elevated market stress.
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Commenting on the results, Bronwyn Curtis OBE, Chair, said: â€œThe Company continues to deliver a consistent income to shareholders in line with its target of 8 pence / share per annum, driven by strong performance of the portfolio during the period, returning 8.4%, and supported by strong fundamentals across the ABS sector. We are delighted this performance was officially recognised at the recent Alternative Credit Investor awards, where TFIF won the award for â€œFund of the year (sub 1bn)â€.
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2024 has seen a significant increase in ABS issuance, particularly from banks, following the end of cheap funding from central banks. This has been positive for the Company, providing the Portfolio Manager with a larger pool of loans in which to invest and driving an improvement in the average asset quality.â€
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Aza Teeuwen, Portfolio Manager, TFIF said: â€œA buoyant first half produced positive investment opportunities across the ABS sector, where CLOs were the main beneficiary, but with strong performance across the board, including SRT transactions and mezzanine and junior residential mortgage-backed securities (â€œRMBSâ€).
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Our focus during the reporting period has been and will continue to be on investing in higher yielding floating rate ABS. In an environment of higher-for-longer rates, these assets should continue to deliver attractive levels of income, which should in turn enable the Company to continue to deliver or improve on its annual target dividend.
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Looking forward, we remain cognisant of macro factors, notably continued geopolitical risk, and will therefore look to maintain flexibility and liquidity in the portfolio, giving us the ability to adjust allocations as appropriate.â€
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For further information please contact:
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TWENTYFOUR INCOME FUND LIMITED

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INTERIM MANAGEMENT REPORT AND UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

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For the period from 1 April 2024 to 30 September 2024

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LEI: 549300CCEV00IH2SU369
(Classified Regulated Information, under DTR 6 Annex 1 section 1.2)

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The Company has today, in accordance with DTR 6.3.5, released its Interim Management Report and Unaudited Condensed Financial Statements for the period ended 30 September 2024. The report will shortly be available via the Company's Portfolio Managerâ€™s website https://www.twentyfouram.com/view/GG00B90J5Z95/twentyfour-income-fund for professional/institutional investors and twentyfourincomefund.com for retail investors, and will shortly be available for inspection online at https://data.fca.org.uk/#/nsm/nationalstoragemechanism.

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SUMMARY INFORMATION

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The Company

TwentyFour Income Fund Limited (the â€œCompanyâ€) is a closed-ended investment company whose sharesÂ (â€œOrdinary Sharesâ€, being the sole

share class) are listed on the Official List of the UK Listing Authority. The Company was incorporated in Guernsey on 11 January 2013. The Company has been included in the London Stock Exchangeâ€™s FTSE 250 Index since 16 September 2022.
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Investment Objective and Investment Policy

The Companyâ€™s investment objective is to generate attractive risk adjusted returns principally through income distributions. The Companyâ€™s investment policy is to invest in a diversified portfolio (â€œPortfolioâ€) of predominantly UK and European Asset-Backed Securities (â€œABSâ€). The Company maintains a Portfolio largely diversified by the issuer, it being anticipated that the Portfolio will comprise at least 50 ABS at all times.

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Target Returns*

The Company has a target annual net total NAV return of between 6% and 9% per annum, which, since 31 March 2023, has been an annual target each financial year of 8% of the Issue Price (the equivalent of 8 pence per year, per Ordinary Share). Total NAV return per Ordinary Share is calculated by adding the increase or decrease in NAV per Ordinary Share to the total dividends paid per Ordinary Share during the period/year and dividing by the NAV per Ordinary Share at the start of the period/year.
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Ongoing Charges

Ongoing charges for the period ended 30 September 2024 have been calculated in accordance with the Association of Investment Companies (the â€œAICâ€) recommended methodology. The ongoing charges for the period ended 30 September 2024 were 0.85% (30 September 2023: 0.99%).
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Discount

As at 15 November 2024, the discount to NAV had moved to 4.07%. The estimated NAV per Ordinary Share and mid-market share price stood at 110.08p and 105.60p, respectively.

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Published NAV

Northern Trust International Fund Administration Services (Guernsey) Limited (the â€œAdministratorâ€) is responsible for calculating the NAV per Ordinary Share of the Company. The unaudited NAV per Ordinary Share will be calculated as at the close of business on the last business day of every week and the last business day of every month by the Administrator and will be announced by a Regulatory News Service the following business day. The basis for determining the Net Asset Value per Ordinary Share can be found in note 5.
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* The Issue Price being Â£1.00. This is an annual target only and not a profit forecast. There can be no assurance that this target will be met or that the Company shall continue to pay any dividends at all. This annual target return should not be taken as an indication of the Companyâ€™s expected or actual current or future results. The Companyâ€™s actual return will depend upon a number of factors, including the number of Ordinary Shares outstanding and the Companyâ€™s total expense ratio, as defined by the AICâ€™s ongoing charges methodology. Potential investors should decide for themselves whether or not any potential return is reasonable and achievable in deciding whether to invest in or retain or increase their investment in the Company. Further details on the Companyâ€™s financial risk management can be found in note 17.
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FINANCIAL HIGHLIGHTS

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NAV per Ordinary Share	Â
As at 30 September 2024 110.50p	As at 31 March 2024 108.79p
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Share price	Â
As at 30 September 2024 105.60p	As at 31 March 2024 104.80p
Â	Â
Total net assets	Â
As at 30 September 2024 Â£826.36 million	As at 31 March 2024 Â£813.54 million
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Total NAV return per Ordinary Share	Â
For the six-month period ended 30 September 2024 7.05%	For the year ended 31 March 2024 18.10%
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Dividends declared per Ordinary Share	Â
For the six-month period ended 30 September 2024 4.00p	For the year ended 31 March 2024 9.96p
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Dividends paid per Ordinary Share	Â
For the six-month period ended 30 September 2024 5.96p	For the year ended 31 March 2024 10.46p
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Ordinary Shares in issue	Â
As at 30 September 2024 747.84 million	As at 31 March 2024 747.84 million
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Portfolio performance	Â
For the six-month period ended 30 September 2024 8.37%	For the year ended 31 March 2024 16.57%
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Repurchase agreement borrowing	Â
As at 30 September 2024 1.70%	As at 31 March 2024 1.73%
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Number of positions in the portfolio	Â
As at 30 September 2024 213	As at 31 March 2024 204

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Average discount	Â
For the six-month period ended 30 September 2024	For the year ended 31 March 2024
(4.27%)	(1.56%)

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Please see the 'Glossary of Terms and Alternative Performance Measures' for definitions how the above financial highlights are calculated.

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CHAIRâ€™S STATEMENT

for the period from 1 April 2024 to 30 September 2024

Bronwyn Curtis OBE

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In my capacity as Chair of the Board of Directors (the â€œBoardâ€) of TwentyFour Income Fund Limited, I am pleased to present my report on the Companyâ€™s progress for the six-month period ended 30 September 2024 (the â€œreporting periodâ€).

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Investment Performance

Another positive period for the Company commenced with the payment of the fourth quarter dividend for the previous financial year of 3.96p per Ordinary Share, which meant that the Company paid a total dividend of 10.46p per Ordinary Share in respect of the year ended 31 March 2024. The Company has subsequently maintained its dividend policy, declaring another two dividends of 2p per Ordinary Share with respect of the current reporting period. The strategy of investing in higher yielding floating rate ABS in a higher interest rate environment has enabled the Company to deliver these attractive dividends, as substantially all excess investment income is paid out each year.

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During the reporting period, the NAV per Ordinary Share saw an increase from 108.79p to 110.50p, a rise of 1.57%. The NAV per Ordinary Share total return was 7.05%. The Company traded at a narrow discount to NAV for most of the reporting period, with a discount of 3.67% at the beginning of the reporting period, which had widened to 4.43% at the end of September 2024.

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The Companyâ€™s portfolio has not had any defaults in its investments since it was launched in 2013 and the portfolio did not see any material interest deferrals or defaults during this reporting period.

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The Board is delighted that the Company's performance was officially recognised, post the period end, at the recent Alternative Credit Investor awards, where the Company won the award for "Fund of the year (sub 1bn)".

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Dividend

The Company aims to distribute all its investment income to ordinary shareholders. The Company is currently targeting quarterly payments equivalent to an annual dividend of at least 8 pence per year. The fourth quarter dividend is used to distribute residual income (if any), generated in the year. Dividends paid by the Company in the reporting period totalled 5.96p per Ordinary Share in line with expectations. The Company has successfully met and exceeded its annual target dividend every year since Initial Public Offering.

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Premium/Discount and Share Capital Management

The wider investment company market saw trading at historically wide discounts across the board, with the Company trading at a discount, averaging 4.27% over the reporting period, significantly closer to NAV than the wider market. Nevertheless, the Board constantly monitors the discount to NAV and would not want to see the shares trading materially wider for a prolonged period of time. The Company has not bought back any shares in this reporting period.

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The Companyâ€™s triennial realisation opportunity (â€œRealisation Opportunityâ€) is due to take place in Autumn 2025, whereby Shareholders may elect, on a rolling basis, to realise some or all of their holdings of Ordinary Shares. The previous Realisation Opportunity in 2022 led to a net fundraise of Â£34 million of share capital.

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Annual General Meeting

The Companyâ€™s 2024 Annual General Meeting (â€œAGMâ€) was held at 9am on 12 September 2024 at the offices of Northern Trust International Fund Administration Services (Guernsey) Limited, Trafalgar Court, Les Banques, St Peter Port, Guernsey, Channel Islands, with all resolutions duly passed.

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Alternative Investment Fund Manager (â€œAIFMâ€) Appointment

On 21 June 2024, after a thorough tender process, the Company appointed Waystone Management Company IE Limited (â€œWaystoneâ€) as its new AIFM. The Board, along with the Portfolio Manager, look forward to working with Waystone in its capacity as AIFM.

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The Board would like to thank the team at Apex FundRock Limited for their work as AIFM since the Companyâ€™s inception.

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Market Overview

2024 has seen a significant increase in ABS issuance, particularly from banks, following the end of cheap funding from central banks. This has been positive for the Company, providing TwentyFour Asset Management LLP (the â€œPortfolio Managerâ€) with a larger pool of loans in which to invest and driving an improvement in the average asset quality.

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As a result, ABS performance has been very strong during the period, particularly Collateralised Loan Obligations (â€œCLOâ€). Other sectors including Significant Risk Transfer (â€œSRTâ€) and mezzanine and junior Residential Mortgage-Backed Securities (â€œRMBSâ€) have also performed well.

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The Board remains supportive of the Portfolio Managerâ€™s strategy, which remains focused on investing in secured, higher yielding floating rate assets, with a preference for short spread durations, maintaining liquidity and lower levels of gearing.

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Sector Overview

In September, the investment company sector welcomed the news on cost disclosures, with the UK government setting out the intention to exempt closed-ended UK-listed investment funds from the requirements of the current PRIIPs Regulation and parts of Articles 50 and 51 of the MiFID Org Regulation, with immediate effect. Since January 2018, PRIIPs and MiFID have required investment companies to report costs in the same format as unlisted open-ended funds, which has led to an element of double counting of costs for investment companies. Whilst the industryâ€™s application of the decision is still to play out, the Board joins the rest of the sector in welcoming the news as positive in providing greater clarity around actual underlying costs for investors.

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Environmental, Social and Governance (â€œESGâ€)

The Board recognises the importance of ESG factors in both investment management and in wider society, and has appointed the Portfolio Manager to advise it in relation to all aspects relevant to the Companyâ€™s portfolio. Throughout the period, the Portfolio Manager has continued to work extensively on engaging with issuers to improve disclosures, and expanding their proprietary ESG scoring model to cover ABS-specific metrics, meaning ESG data is factored in to every level of the investment process. The Board and the Portfolio Manager believe this proprietary ESG work is unique in the European ABS space.

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The Portfolio Manager has engaged on 23 occasions with issuers on ESG factors during the reporting period, with a particular focus on the provisions of lenders to support residential mortgage holders who are classified as vulnerable, and reaching maturities on mortgages issued prior to the Global Financial Crisis (â€œGFCâ€). Furthermore, the Portfolio Manager has conducted extended due diligence on unsecured consumer lenders, where it has observed performance divergence between geography and vintage.

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On the environmental side, the focus of the Portfolio Manager continues to be the decarbonisaton pathway and carbon reporting. In CLO specifically, the Portfolio Manager noted an increase in the number of managers disclosing carbon data on their deals, and has engaged on the consistency behind the data. An increasing proportion of CLO transactions now have exclusions for EU Paris-aligned Benchmarks in the documentation, which allows investors to assess their alignment to net zero goals.

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Outlook

The Board agrees with the Portfolio Managerâ€™s view that the main risk to performance in the medium term is likely to be imported volatility as a result of continued geopolitical uncertainty.

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The Board is therefore fully supportive of the Portfolio Managerâ€™s strategy of maintaining flexibility in the Companyâ€™s portfolio, and low levels of gearing. The Bank of England (â€œBoEâ€) has begun its rate cutting cycle, and with the Company being fully invested in floating rate securities, the Board recognises the impact this has on future income.

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However, with long-term neutral rates expected to be around 3.5-3.75% in the UK, the Board is confident in the Companyâ€™s ability to continue to deliver on the current annual target dividend of 8 pence per share. In what looks likely to be a prolonged economic cycle, the Board believes spreads could tighten further as falling rates push investors to search for yield.

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Bronwyn Curtis OBE
Chair
19 November 2024

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PORTFOLIO MANAGERâ€™S REPORT

for the period from 1 April 2024 to 30 September 2024
TwentyFour Asset Management LLP

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TwentyFour Asset Management LLP, in our capacity as Portfolio Manager to the Company, are pleased to present our report on the Companyâ€™s progress for the six-month period ended 30 September 2024.

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Investment Background

European credit markets have enjoyed a relatively smooth period, notwithstanding an acute episode of volatility in early August, which followed a weaker than expected employment report in the US. Geopolitical uncertainty has continued to be a concern, albeit market reaction to events was relatively muted over the period.

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The housing market has moved in tandem with other assets over the period, with the latest House Price Index data for the UK and Eurozone showing growth of 2.7% and 2.9% respectively in the 12 months to 30 June 2024 (non-seasonally-adjusted). Mortgage rates fell across the period, with demand increasing to reflect growing consumer confidence, such that mortgage borrowing in the UK sits at a two-year high. Mortgage affordability remains more in focus in the UK due to the prevalence of shorter term fixed contracts in contrast to the rest of Europe.

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The period has been characterised by the data dependency of central banks and the subsequent repricing of market interest rate expectations. In the US, a pivotal moment came in early August with the publication of the labour market report for July, which indicated a slowdown and sparked an acute sell-off across global markets. Subsequent data from the US was in line with expectations, although we subsequently saw the US Federal Reserve (â€œFedâ€) cut interest rates by 50 basis points (â€œbpsâ€) at its September meeting. The Fed also indicated it would remain agile on the pace of future rate cuts to ensure the path to sustainable inflation is maintained.

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From the European Central Bank (â€œECBâ€) and BoE, we saw 50bps and 25bps cuts respectively over the period. The ECB has acted in line with expectations, though persistently weak economic data in core economies such as Germany and France, particularly concerning manufacturing, led markets to price in a further 25bps cut in October. The BoE has been the most cautious of the trio on rate cuts, supported by a resilient labour market and stronger economic activity data and, with core inflation failing to return to target until after the period end, we may expect higher for longer rates in the UK.

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European ABS markets have enjoyed their busiest year for primary issuance since the global financial crisis, with over â‚¬110 billion of ABS and â‚¬54.5 billion of CLO issuance (â‚¬35 billion new issue, â‚¬19.5 billion refinancing) providing the portfolio management team with ample opportunity to reinvest amortisations for the Company. We have noted an increase in ABS issuance from banks, largely due to the withdrawal of cheap funding from central bank programmes, which importantly has also driven an increase in average asset quality.

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Collateral performance across European markets has remained strong as consumers continue to display resilience. This is largely thanks to the strength of labour markets, which have seen only mild increases in unemployment from post-Covid lows. Additionally, we have seen strong wage growth and continue to see positive wage negotiations across Europe. These two factors have supported healthy savings rates; saving rates in the UK and Europe remain above pre-Covid averages, supporting consumer balance sheets.

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Performance Review

European ABS performance over the period has been very strong across the board, as spreads have continued their tightening bias from the wider levels they reached in the wake of the UKâ€™s â€œmini budgetâ€ crisis in late 2022.

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Despite rate cuts from the ECB and BoE, the running income on spread products remains attractive and we anticipate higher neutral rates will support potential returns going forward. We have seen collateral performance holding up well, with European consumers demonstrating significant resilience in the face of the cost-of-living pressures. Spread performance can be attributed significantly to the supply-demand technical apparent in European ABS, giving way to another period of strong performance for the Companyâ€™s assets.

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Once again, CLOs were the biggest beneficiary with B and BB rated CLOs delivering more than 17% and 12%, respectively, with a number of early redemptions allowing for healthy returns from positions that were acquired at deeper discounts. We have also seen an ongoing focus on SRT transactions, a sector that offers diversification opportunities for the Company and where we continue to see strong relative value.

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We have seen strong performance across various sectors, which has been most pronounced in CLOs, as increasing amount of discounted CLOs are priced to a potential call due to the increase in loan prepayments and the active CLO refinancing market. SRT, mezzanine and junior RMBS allocations within the portfolio have also performed strongly.

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Portfolio Allocation

Our focus during the reporting period has been and will continue to be on investing in higher yielding floating rate ABS. In an environment of higher-for-longer rates, these assets should continue to deliver attractive levels of income, which should in turn enable the Company to continue to deliver or improve on its annual target dividend. At the end of the reporting period, the portfolio had a very healthy book yield of 12.07% and a mark-to-market yield of 12.17%. Spreads have generally tightened through the period and the Company has crystallised profits on various older investments in favour of primary supply.

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During the period, we booked profits for the Company in certain mezzanine UK RMBS positions where we felt spread tightening had been overstated. Proceeds were reinvested in shorter European consumer ABS transactions and CLOs, where spreads remained attractive. We have continued to derive profits, through

positions in Commercial Mortgage-Backed Securities (â€œCMBSâ€), where the pick-up to more liquid segments of the market remains minimal. The leverage in the Company currently remains unchanged, but we remain flexible should opportunities arise for the Company.
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During the period, we successfully refinanced two pools of Dutch prime mortgages, locking in long-term funding and releasing capital back to the Company.
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Fundamental market performance remains strong as consumers continue to demonstrate resilience. However, we acknowledge heightened tail risk surrounding the various conflicts in the Middle East and Ukraine, particularly with secondary consequences for oil prices, as well as uncertainty surrounding the US presidential election. For this reason, we favour secured collateral (mortgages, senior secured corporate loans, auto loans, etc.) from Western European countries, where governments have a proven track record of supporting consumers and corporates during recessions.
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As mitigation to the effects of market volatility, we prefer bonds with relatively short spread durations and value the flexibility of having greater liquidity and lower levels of gearing. The liquidity which is available to the Company could be deployed to take advantage of any investment opportunities which may arise, in the event of elevated market stress. A focus will be for the Company to remain invested in collateral from established lenders with good track records, and to balance refinancing risk from an expected increase in the number of CLOs targeting refinancing.
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ESG
ESG disclosures in the ABS market have continued to evolve over the period, with recent updates to the EU Sustainable Finance Disclosure Regulation (â€œSFDRâ€) and Task Force on Climate-Related Financial Disclosures (â€œTCFDâ€) being the main drivers in improved disclosures, as investors require data such as emissions or ESG indicators to comply with reporting requirements. We have continued to engage with RMBS and ABS issuers on Scope 3 financed emissions and alignment with the UN Sustainable Development Goals (â€œSDGsâ€), prioritising SDG 10 (Reduced Inequalities) and SDG 11 (Sustainable Cities and Communities). Investor demand for ESG integration, in respect of CLOs, has increased significantly, resulting in most CLO managers increasing loan exclusions at portfolio level and within disclosures. We have focused particularly on new CLO deals for the Company, managed by CLO managers with strong ESG credentials, with positive and negative screening employed.
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Outlook
Political change has been a strong theme during the period, with elections in the UK, France, India and a number of other major economies, with the US going to the polls in November. In the UK, the Labour Party gained a landslide victory to return to power after 14 years of Conservative rule, whilst in Europe, we have generally seen a rise in support for parties on the far-right of politics, followed by a resounding victory for Trump in the US. Following the news of Trumpâ€™s return to the White House, the rates market reacted sharply with 10 year US Treasuries reaching 4.45% as the expectation of future increases in spending and borrowings heightened. Both the credit and equity markets responded positively, viewing Trump victory as good for medium-term growth. European credit spreads also tightened, with Crossover (the benchmark for European High Yield bonds) tightening by almost 20bps to circa 290bps in the days after the election, despite the fear of increased tariffs leading to a tougher competitive landscape. Whilst the exact impact of a new Trump administration has yet to be seen, risk sentiment looks to be strong and we expect this to have a positive impact on the supply-demand technical in the medium term. The current rate market expectation shows significant diverging paths with both the Fed and BoE expected to remain higher for longer, and the ECB rate to decrease to under 2% by the end of 2025. The slowdown of the German economy and the struggling manufacturing and automotive industries, as well as the impact of the UK budget, are likely bigger risks to European risk sentiment than the outcome of the US elections.
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The BoE cut interest rates by a further 0.25% in November 2024 to 4.75%. Governor Andrew Bailey confirmed investorsâ€™ views that there is a risk that the recent UK budget is potentially inflationary and hinted to a less certain future path of rate cutting. The Gilt market was quick to react and the general expectation in the rates market is that the BoE will cut interest rates by a further 0.75% in 2025 and the (admittedly very volatile) 3 year expectation is that base rates will remain around 4%. While this is a positive development for floating rate bond investors, there could be an impact on UK consumers as the cost of borrowing will not drop as much as was anticipated prior to the budget.
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Spread products continue to perform well, and we have welcomed record issuance in the ABS market with a healthy pipeline for the remaining months of the year. We expect CLO refinancings to remain elevated as managers capitalise on attractive funding costs. While this has created some more reinvestment risk, we do not expect difficulties staying invested. We see good value in new BB and B rated CLO investments from top quartile managers, offering yields of around Euribor +6.3% and 9.5% respectively. Other favoured allocations include shorter dated secured ABS from larger bank lenders, and SRT transactions.
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While we expect the supply-demand technical to persist in the ABS market and drive performance in the medium term, we acknowledge that geopolitical risk may continue to cause uncertainty and we therefore value flexibility in the portfolio to change allocations if opportunities present themselves.
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TwentyFour Asset Management LLP
19 November 2024
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TOP TWENTY HOLDINGS

as at 30 September 2024

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Security	**Nominal/ Shares**	**Â**	**Asset-Backed Security Sector***	**Fair Value Â£**		**Percentage of Net Asset Value**
UK MORTGAGES CORP FDG DAC KPF1 A 0.0% 31/07/2070	28,000,000	Â	RMBS	31,660,748	Â	3.83
UK MORTGAGES CORPORATE F 'KPF4 A' 0.00% 30/11/2070	22,428,058	Â	RMBS	Â 20,954,400	Â	2.54
LLOYDS BANK PLC FRN 19/11/2029	17,250,000	Â	SRT	17,331,938	Â	2.10
UK MORTGAGES CORP FDG DAC KPF2 A 0.0% 31/07/2070	12,105,859	Â	RMBS	16,555,004	Â	2.00
SYON SECURITIES 19-1 B CLO FLT 19/07/2026	15,597,926	Â	RMBS	Â 15,755,106	Â	1.91
TULPENHUIS 0.0% 18/04/2051	19,326,989	Â	RMBS	15,698,634	Â	1.90
CHARLES ST CONDUIT ABS 2 LIMITED CABS 2- CL B MEZZ	15,000,000	Â	RMBS	15,000,000	Â	1.82
HABANERO LTD '6W B' VAR 5/4/2024	14,875,000	Â	RMBS	14,875,000	Â	1.80
EQTY. RELEASE FNDG. NO 5 '5 B' FRN 14/07/2050	16,500,000	Â	RMBS	14,364,040	Â	1.74
UKDAC MTGE 'KPF3 A' 0.0% 31/7/2070	17,144,104	Â	RMBS	14,012,939	Â	1.70
CHARLES STREET CONDUIT FRN 0.00% 12/04/2067	14,000,000	Â	RMBS	14,000,000	Â	1.69
DEUTSCHE BANK AG/CRAFT 202 '1X CLN' FRN 21/11/2033	18,000,000	Â	SRT	13,396,153	Â	1.62
VSK HOLDINGS LTD VAR 31/7/2061	2,058,000	Â	RMBS	13,066,199	Â	1.58
RRME 8X D '8X D' FRN 15/10/2036	13,000,000	Â	CLO	Â 10,537,842	Â	1.28
VSK HLDGS. '1 C4-1' VAR 01/10/2058	1,587,000	Â	RMBS	Â 9,812,410	Â	1.19
SYON SECS. 2020-2 DAC '2 B' FRN 17/12/2027	9,249,987	Â	RMBS	Â 9,706,307	Â	1.16
UK MORTGAGES CORP FDG DAC CHL1 A 0.0% 31/07/2070	5,641,912	Â	RMBS	8,324,845	Â	1.01
HIGHWAYS 2021 PLC '1X D' FRN 18/11/2026	8,000,000	Â	CMBS	7,825,516	Â	0.95
SANTANDER CONSUMER FINANCE SA SER 23-1 CL B FLTG R	69,931,060	Â	SRT	Â 7,805,199	Â	0.94
SYON SECURITIES 2020-2 DESIGNATED A FLTG 17/12/202	7,400,850	Â	RMBS	7,613,751	Â	0.92
Â	Â	Â	Â	**278,296,031**	Â	**33.68**

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The full listing of the Portfolio as at 30 September 2024 can be obtained from the Administrator on request.
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*** Definition of Terms**

â€˜CLOâ€™ â€“ Collateralised Loan Obligations
â€˜CMBSâ€™ â€“ Commercial Mortgage-Backed Securities
â€˜RMBSâ€™- Residential Mortgage-Backed Securities
â€˜SRTâ€™ â€“ Significant Risk Transfer
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BOARD MEMBERS

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Biographical details of the Directors are as follows:

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Bronwyn Curtis OBE - (Non-Executive Director and Chair)
Ms Curtis is a resident of the United Kingdom, an experienced Chair, Non-Executive Director and Senior Executive across banking, media, commodities and consulting, with global or European wide leadership responsibilities for 20 years at HSBC Bank plc, Bloomberg LP, Nomura International and Deutsche Bank Group. She is currently Non-Executive Director at Pershing Square Holdings, BH Macro Limited and a number of private companies. She is also a regular commentator in the media on markets and economics. Ms Curtis was appointed to the Board on 12 July 2022 and was appointed Chair on 14 October 2022.
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Joanne Fintzen - (Non-Executive Director and Senior Independent Director)
Ms Fintzen is a resident of the United Kingdom, with extensive experience of the finance sector and the investment industry. She trained as a Solicitor with Clifford Chance and worked in the Banking, Fixed Income and Securitisation areas. She joined Citigroup in 1999 providing legal coverage to an asset management division. She was subsequently appointed as European General Counsel for Citigroup Alternative Investments where she was responsible for the provision of legal and structuring support for vehicles which invested 100bn in Asset-Backed Securities as well as hedge funds investing in various different strategies in addition to private equity and venture capital funds. Ms Fintzen is currently Non-Executive Director of JPMorgan Claverhouse Investment Trust plc. Ms Fintzen was appointed to the Board on 7 January 2019 and was appointed Senior Independent Director on 14 October 2022.
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John de Garis - (Non-Executive Director and Chair of the Nomination and Remuneration Committee)
Mr de Garis is a resident of Guernsey with over 30 years of experience in investment management. He is Managing Director and Chief Investment Officer of Rocq Capital founded in July 2016 following the management buyout of Edmond de Rothschild (C.I.) Ltd. He joined Edmond de Rothschild in 2008 as Chief Investment Officer following 17 years at Credit Suisse Asset Management in London, where his last role was Head of European and Sterling Fixed Income. He began his career in the City of London in 1987 at Provident Mutual before joining MAP Fund Managers where he gained experience managing passive equity portfolios. He is a Non-Executive Director of VinaCapital Investment Management Limited in Guernsey. Mr de Garis is a Chartered Fellow of the Chartered Institute for Securities and Investment and holds the Certificate in Private Client Investment Advice and Management. Mr de Garis was appointed to the Board on 9 July 2021.
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Paul Le Page (Non-Executive Director and Chair of the Management Engagement Committee)
Paul Le Page is a resident of Guernsey and has over 24 yearsâ€™ experience in investment and risk management. He was formerly an Executive Director and Senior Portfolio Manager of FRM Investment Management Limited, a subsidiary of the UKâ€™s largest listed alternatives manager, Man Group. In this capacity, he managed alternative funds and institutional client portfolios, worth in excess of 5bn and was a director of a number of group funds and structures. Prior to joining FRM, he was employed by Collins Stewart Asset Management (now Canaccord Genuity) where he was Head of Fund Research responsible for reviewing both traditional and alternative fund managers and managing the firmâ€™s alternative fund portfolios. He joined Collins Stewart in January 1999 where he completed his MBA in July 1999. Mr Le Page is currently a Non-Executive Director of NextEnergy Solar Fund Limited, RTW Biotech Opportunities Limited and Sequoia Economic Infrastructure Income Fund Limited. Mr Le Page was appointed to the Board on 16 March 2023.
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John Le Poidevin - (Non-Executive Director and Chair of the Audit Committee)
Mr Le Poidevin is a resident of Guernsey and a Fellow of the Institute of Chartered Accountants in England and Wales. He was formerly an audit partner at BDO LLP in London where he developed an extensive breadth of experience and knowledge across a broad range of business sectors in the UK, European and global markets during over twenty years in practice, including in corporate governance, audit, risk management and financial reporting. Since 2013, he has acted as a non-executive director, including as audit committee chair, on the boards of several listed and private groups. Mr Le Poidevin is currently a Non-Executive Director of International Public Partnerships Limited, BH Macro Limited, Super Group (SGHC) Limited, and a number of other private companies and investment funds. Mr Le Poidevin was appointed to the Board on 9 July 2021 and was appointed Chair of the Audit Committee on 14 October 2022.
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DISCLOSURE OF DIRECTORSHIPS IN PUBLIC COMPANIES LISTED ON RECOGNISED STOCK EXCHANGES

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Company Name		Â	Â	**Â**	**Stock Exchange**
Â	Â	Â	Â	Â	Â
Bronwyn Curtis		Â	Â	Â	Â
BH Macro Limited		Â	Â	Â	London
Pershing Square Holdings Limited			Â	Â	London and Euronext Amsterdam
Â	Â	Â	Â	Â	Â
Joanne Fintzen		Â	Â	Â	Â
JPMorgan Claverhouse Investment Trust plc			Â	Â	London
Â	Â	Â	Â	Â	Â
Paul Le Page	Â	Â	Â	Â	Â
NextEnergy Solar Fund Limited			Â	Â	London
RTW Biotech Opportunities Limited			Â	Â	London
Sequoia Economic Infrastructure Income Fund Limited				Â	London
Â	Â	Â	Â	Â	Â
John Le Poidevin		Â	Â	Â	Â
BH Macro Limited		Â	Â	Â	London
International Public Partnerships Limited			Â	Â	London
Super Group (SGHC) Limited			Â	Â	New York

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STATEMENT OF PRINCIPAL RISKS AND UNCERTAINTIES

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The Companyâ€™s assets are mainly comprised of ABS carrying exposure to risks related to the underlying assets, backing the security or the originator of the security. The Companyâ€™s principal risks are therefore market or economic in nature.
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The principal risks disclosed can be divided into the various areas as follows:
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- *Market Risk and Investment Valuations*
  Market risk is the risk associated with changes in market factors including spreads, interest rates, economic uncertainty, changes in laws and political circumstances.
  Â
  Geopolitical risks are heightened raising the possibility of adverse shocks to both growth and inflation in the UK and Europe. Risk premiums demanded by the market could rise as risk sentiment deteriorates and wider spreads could result in lower cash prices.
  Â
- *Liquidity Risk*
  Liquidity risk is the risk that the Company may not be able to sell securities at a given price and/or over the desired timeframe. Investments made by the Company may be relatively illiquid. Some investments held by the Company may take longer to realise than others and this may limit the ability of the Company to realise its investments and meet its target dividend payments in the scenario where the Company has insufficient income arising from its underlying investments. The Company has the ability to borrow to ensure sufficient cash flows and the Portfolio Manager maintains a liquidity management policy to monitor the liquidity risk of the Company.
  Â
- *Credit Risk and Investment Performance*
  Credit risk arises when the issuer of a settled security held by the Company experiences financing difficulties or defaults on its payment obligations resulting in an adverse impact on the market price of the security.
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  The Company holds debt securities including ABS which, compared to bonds issued or guaranteed by developed market governments, are generally exposed to greater risk of default in the repayment of the capital provided to the issuer or interest payments due to the Company. The amount of credit risk for an ABS is typically indicated by a credit rating which is assigned by one or more internationally recognised rating agencies. This does not amount to a guarantee of creditworthiness of an ABS but generally provides a strong indicator of the likelihood of default. Securities which have a lower credit rating are generally considered to have a higher credit risk and a greater possibility of default than more highly rated securities. There is a risk that an internationally recognised rating agency may assign incorrect or inappropriate credit ratings to ABS issues. Issuers often issue securities which are ranked in order of seniority which, in the event of default, would be reflected in the priority in which investors might be paid back. Whilst they have been historically low since the inception of the Company, the level of defaults in the portfolio and the losses suffered on such defaults may increase in the event of adverse financial or credit market conditions.
  Â
  The Company is also exposed to unrated equity tranches of ABS that invest predominantly in the residential mortgage markets in the UK and the Netherlands where the Company originates and purchases securitisations, respectively. Under EU and UK laws, originators of securitisations are required to retain 5% of the value of their securitisation which creates a retention risk. As equity tranches bear first loss in the event of a default, the Company may also diversify its retention risk by holding more senior tranches in the securitisations that it issues, a process known as a vertical tranche retention. Realised default rates for RMBS securities have historically been very low since the global financial crisis.
  Â
  In the event of a default of an ABS, the Companyâ€™s right to financial recovery will depend on its ability to exercise any rights that it has against the borrower under the insolvency legislation of the jurisdiction in which the borrower is incorporated. As a creditor, the Companyâ€™s level of protection and rights of enforcement may therefore vary significantly from one country to another, may change over time and may be subject to rights and protections which the relevant borrower or its other creditors might be entitled to exercise. Information regarding investment restrictions that are currently in place in order to manage credit risk can be found in note 17 to the Condensed Interim Financial Statements.
  Â
- *Foreign Currency Risk*
  The Company is exposed to foreign currency risk through its investments in predominantly Euro-denominated assets. The Companyâ€™s share capital is denominated in Sterling and its expenses are predominantly incurred in Sterling. The Companyâ€™s financial statements are presented in Sterling. Amongst other factors affecting the foreign exchange markets, events in the eurozone may impact upon the value of the Euro which in turn will impact the value of the Companyâ€™s Euro-denominated investments. The Company manages its exposure to currency movements by using spot and forward foreign exchange contracts, which are rolled forward periodically.

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- *Counterparty Credit Risk*
  Where a market counterparty to an Over-the-Counter (â€œOTCâ€) derivative transaction fails, any unrealised positive mark to market profit may be lost. The Company uses OTC derivatives to hedge interest rate risk and mitigates this risk by only trading derivatives against approved counterparties which meet minimum creditworthiness criteria and by employing central clearing and margining where applicable.

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- *Settlement Risk*
  Settlement risk is the risk of loss associated with any security price movements between trade date and eventual settlement date should a trade fail to settle on time (or at all). The Company mitigates the risk of total loss by trading on a delivery versus payment (â€œDVPâ€) basis for all non-derivative transactions and central clearing helps to ensure that trades settle on a timely basis.

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- *Reinvestment Risk*
  The Portfolio Manager is conscious of the challenge to reinvest any monies that result from principal and income payments and to minimise reinvestment risk. Cash flow analysis is conducted on an ongoing basis and is an important part of the portfolio management process, ensuring such proceeds can be invested efficiently and in the best interests of the Company. The Portfolio Manager is also able to borrow against individual holdings in the portfolio via repurchase agreements which facilitate rapid tactical investments when opportunities arise.
  Â
  The Portfolio Manager expects Â£101.6 million of assets to have a Weighted Average Life of under 1 year. While market conditions are always subject to change, the Portfolio Manager does not currently foresee reinvestment risk significantly impacting the yield nor affecting each quarterâ€™s minimum dividend and recognises the need to be opportunistic as and when market conditions are particularly favourable in order to reinvest any proceeds or in order to take advantage of rapidly evolving pricing during periods of market volatility.
  Â
- *Operational Risks*
  The Company is exposed to the risk arising from any failures of systems and controls in the operations of the Portfolio Manager, Administrator, AIFM, Independent Valuer, Custodian and the Depositary amongst others. The Board and its Audit Committee regularly review reports from key service providers on their internal controls, in particular, focussing on changes in working practices. The Administrator, Custodian and Depositary report to the Portfolio Manager any operational issues for final approval of the Board as required.
  Â
- *Accounting, Legal and Regulatory Risks*
  The Company is exposed to the risk that it may fail to maintain accurate accounting records or fail to comply with requirements of its Admission document and fail to meet listing obligations. The accounting records prepared by the Administrator are reviewed by the Portfolio Manager. The Portfolio Manager, Administrator, AIFM, Custodian, Depositary and Corporate Broker provide regular updates to the Board on compliance with the Admission document and changes in regulation. Changes in the legal or the regulatory environment can have a major impact on some classes of debt. The Portfolio Manager monitors this and takes appropriate action.
  Â
- *Income Recognition Risk*
  The Board considers income recognition to be a principal risk and uncertainty. The Portfolio Manager estimates the remaining expected life of the

security and its likely terminal value, which has an impact on the effective interest rate of the ABS which in turn impacts the calculation of interest income. This risk is considered on behalf of the Board by the Audit Committee as discussed on pages 36 to 39 of the Annual Report for the year ended 31 March 2024 and is therefore satisfied that income is appropriately stated in all material aspects in the Condensed Interim Financial Statements.

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- *Cyber Security Risks*
  The Company is exposed to the risk arising from a successful cyber-attack through its service providers. The Company requests of its service providers that they have appropriate safeguards in place to mitigate the risk of cyber-attacks (including minimising the adverse consequences arising from any such attack), that they provide regular updates to the Board on cyber security, and conduct ongoing monitoring of industry developments in this area.

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- *Geopolitical Risk and Economic Disruption*
  The Company is exposed to the risk of geopolitical and economic events impacting on the Company, service providers and Shareholders, including elevated levels of global inflation, recessionary risks and the current conflicts in Ukraine and the Middle East. The Company does not hold any assets in Ukraine, Belarus, Russia, or the Middle East, however, the situation in the impacted regions and wider geopolitical consequences remain volatile and the Board and Portfolio Manager continue to monitor the situation carefully and will take whatever steps are necessary and in the best interests of the Companyâ€™s Shareholders. The Companyâ€™s key suppliers do not have operations in Ukraine, Belarus, Russia or the Middle East and there is not expected to be any direct adverse impact from military operations on the activity (including processes and procedures) of the Company.

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- *Climate Change Risk*
  Climate change risk is the risk of the Company not responding sufficiently to pressure from stakeholders to assess and disclose the impact of climate change on investment portfolios and address concerns on what impact the Company and its portfolio has on the environment.
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  Regular contact is maintained by the Portfolio Manager and Corporate Broker with major stakeholders and the Board receives regular updates from the Portfolio Manager on emerging policy and best practice within this area and can take action accordingly.
  Â
  ESG factors are assessed by the Portfolio Manager for every transaction as part of the investment process. Specifically for ABS, for every transaction an ESG assessment is produced by the Portfolio Manager and an ESG score is assigned. External ESG factors are factors related to the debt issuers of ABS transactions and they are assessed through a combination of internal and third-party data. Climate risks are incorporated in the ESG analysis under environmental factors and taken into consideration in the final investment decision. CO_2 emissions are tracked at issuer and deal level where information is available. Given the bankruptcy-remoteness feature of securitisation transactions, the climate risks which the Portfolio Manager considers more relevant and that are able to potentially impact the value of the investment are the ones related to the underlying collateral which include physical and transitional risks. Those risks are also assessed and considered as environmental factors in the ESG analysis.

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The Board and Portfolio Manager do not consider these risks to have changed materially and these risks are considered to remain relevant for the remaining six months of the financial year.

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The Boardâ€™s process of identifying and responding to emerging risks is disclosed on pages 14 to 17 of the Annual Report for the year ended 31 March 2024.

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Going Concern

The Directors believe that it is appropriate to adopt the going concern basis in preparing the Unaudited Condensed Interim Financial Statements in view of the Companyâ€™s holdings in cash and cash equivalents and the liquidity of investments and the income deriving from those investments, meaning the Company has adequate financial resources and suitable management arrangements in place to continue as a going concern for at least twelve months from the date of approval of the Unaudited Condensed Interim Financial Statements.

Â

The Companyâ€™s articles provide for a Realisation Opportunity pursuant to which Shareholders may elect, on a rolling basis, to realise some or all of their holdings of Ordinary Shares at each third Annual General Meeting, with the next Realisation Opportunity due to be in Autumn 2025.

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The Companyâ€™s continuing ability to meet its dividend target, along with the Companyâ€™s ability to continue as a going concern, has been considered by the Directors, paying attention to the external geopolitical and macroeconomic factors, the increased risk of default due to elevated levels of inflation above target, higher global interest rates and the next Realisation Opportunity. No material doubts in respect of the Companyâ€™s ability to continue as a going concern have been identified.

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STATEMENT OF DIRECTORSâ€™ RESPONSIBILITIES

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We confirm that to the best of our knowledge:

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- these Unaudited Condensed Interim Financial Statements have been prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting" and give a true and fair view of the assets, liabilities, equity and profit or loss of the Company as required by DTR 4.2.4R.

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- the interim management report includes a fair review of the information required by:

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(a) DTR 4.2.7R of the Disclosure and Transparency Rules, being an indication of important events that have occurred during the period from 1 April 2024 to 30 September 2024 and their impact on the Unaudited Condensed Interim Financial Statements; and a description of the principal risks and uncertainties for the remaining six months of the year; and

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(b) DTR 4.2.8R of the Disclosure and Transparency Rules, being related party transactions that have taken place during the period from 1 April 2024 to 30 September 2024 and that have materially affected the financial position or performance of the Company during that period as included in note 14.

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By order of the Board

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Bronwyn CurtisÂ Â Â Â Â **John Le Poidevin**Â
DirectorÂ Â Â Â Â Â **Director**

19 November 2024

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The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website, and for the preparation and dissemination of financial statements. Legislation in Guernsey governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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INDEPENDENT REVIEW REPORT TO TWENTYFOUR INCOME FUND LIMITED

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Conclusion

We have been engaged by TwentyFour Income Fund Limited (the "Company") to review the condensed set ofÂ financial statements in the half-yearly financial report for the six months ended 30 September 2024 of the Company, which comprises the condensed statement of financial position, the condensed statement of comprehensive income, the condensed statement of changes in equity, the condensed statement of cash flows and the related explanatory notes.

Â
Based on our review, nothing has come to our attention that causes us to believe that the condensed set ofÂ financial statements in the half-yearly financial report for the six months ended 30 September 2024 is not prepared, in all material respects, in accordance with IAS 34 Interim Financial Reporting and the Disclosure Guidance and Transparency Rules ("the DTR") of the UK's Financial Conduct Authority ("the UK FCA").
Â

Scope of review

We conducted our review in accordance with International Standard on Review Engagements (UK) 2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity (â€œISRE (UK) 2410â€) issued by the Financial Reporting Council for use in the UK.Â A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.Â We read the other information contained in the half-yearly financial report and consider whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.Â
Â

A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
Â

Conclusions relating to going concern

Based on our review procedures, which are less extensive than those performed in an audit as described in the Scope of review section of this report, nothing has come to our attention to suggest that the directors have inappropriately adopted the going concern basis of accounting or that the directors have identified material uncertainties relating to going concern that are not appropriately disclosed.
Â

This conclusion is based on the review procedures performed in accordance with ISRE (UK) 2410. However future events or conditions may cause the Company to cease to continue as a going concern, and the above conclusions are not a guarantee that the Company will continue in operation.
Â

Directorsâ€™ responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the interim financial report in accordance with the DTR of the UK FCA.
Â

As disclosed in note 2, the annualÂ financial statements of theÂ Company are prepared in accordance with International Financial Reporting Standards.Â The directors are responsible for preparing the condensed set ofÂ financial statements included in the half-yearly financial report in accordance with IAS 34 Interim Financial Reporting as adopted by the EU.
Â

In preparing the half-yearly financial report, the directors are responsible for assessing the Companyâ€™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 they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.
Â

Our responsibility

Our responsibility is to express to the Company a conclusion on theÂ condensed set of financial statements in the half-yearly financial report based on our review.Â Our conclusion, including our conclusions relating to going concern, are based on procedures that are less extensive than audit procedures, as described in the scope of review paragraph of this report.
Â

The purpose of our review work and to whom we owe our responsibilities

This report is made solely to the Company in accordance with the terms of our engagement letter to assist the Company in meeting the requirements of the DTR of the UK FCA. Our review has been undertaken so that we might state to the Company those matters we are required to state to it in this report and for no other purpose.Â To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company for our review work, for this report, or for the conclusions we have reached.Â
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Rachid Frihmat
For and on behalf of KPMG Channel Islands Limited
Chartered Accountants
Guernsey
19 November 2024
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CONDENSED STATEMENT OF COMPREHENSIVE INCOME

for the period from 1 April 2024 to 30 September 2024
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Â	Notes	For the periodÂ from 01.04.24 to 30.09.24 Â£ (Unaudited)Â	For the period from 01.04.23 to 30.09.23 Â£ (Unaudited)
Income	Â	Â Â	Â
Interest income on financial assets at fair value through profit or loss	Â	39,806,456Â	39,617,803
Net foreign currency gains	7	15,825,992Â	6,714,557
Net gains on financial assets at fair value through profit or loss	Â	5,636,331Â	18,179,471
Total income	Â	61,268,779Â	64,511,831
Operating expenses	Â	Â Â	Â
Portfolio management fees	14	(2,631,614)Â	(2,785,136)
Directors' fees	14	(142,500)Â	(136,245)
Administration and secretarial fees	15	(193,658)Â	(175,947)
Audit fees	Â	(80,784)Â	(78,000)
Custody fees	15	(41,408)Â	(37,139)
Broker fees	Â	(25,312)Â	(24,939)
AIFM management fees	15	(120,349)Â	(126,343)
Depositary fees	15	(55,582)Â	(50,155)
Legal and professional fees	Â	(80,108)Â	(28,635)

Listing fees		(12,161)	(12,500)
Registration fees		(24,314)	(44,030)
Other expenses		(65,027)	56,041
Total operating expenses		(3,472,817)	(3,443,028)
Total operating profit		57,795,962	61,068,803
Finance costs on repurchase agreements	11	(402,967)	(383,505)
Total comprehensive income for the period*		57,392,995	60,685,298
Earnings per Ordinary Share	3	0.0767	0.0817

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All items in the above statement derive from continuing operations.
Â
The Companyâ€™s income and expenses are not affected by seasonality or cyclicity.
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The accompanying notes form an integral part of these Unaudited Condensed Interim Financial Statements.
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*There was no other comprehensive income during the current and prior periods.
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CONDENSED STATEMENT OF FINANCIAL POSITION

as at 30 September 2024
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	Notes	30.09.2024 Â£ (Unaudited)	31.03.2024 Â£ (Audited)
Assets			
Financial assets at fair value through profit or loss			
- Investments	8	822,676,708	813,356,415
- Derivative assets: Forward currency contracts	17	7,673,202	1,958,943
Amounts due from broker		-	3,427,786
Other receivables	9	8,709,709	7,642,019
Cash and cash equivalents		20,546,808	13,142,803
Total assets		859,606,427	839,527,966
Liabilities			
Financial liabilities at fair value through profit or loss			
- Derivative liabilities: Forward currency contracts	17	287,672	20,877
Amounts payable under repurchase agreements	11	14,002,088	14,090,507
Amounts due to broker		17,339,213	10,596,437
Other payables	10	1,615,538	1,280,159
Total liabilities		33,244,511	25,987,980
Net assets		826,361,916	813,539,986
Equity			
Share capital account	12	780,234,543	780,234,543
Retained earnings		46,127,373	33,305,443
Total equity		826,361,916	813,539,986
Ordinary Shares in issue	12	747,836,661	747,836,661
Net Asset Value per Ordinary Share (pence)	5	110.50	108.79

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The Unaudited Condensed Interim Financial Statements were approved by the Board of Directors on 19 November 2024 and signed on its behalf by:Â Â Â Â Â Â Â Â Â Â Â Â Â
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John Le Poidevin Â Â Â Â Â Â **Paul Le Page**
Director Â Â Â Â Â Â Â **Director**
Â
The accompanying notes form an integral part of these Unaudited Condensed Interim Financial Statements.
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CONDENSED STATEMENT OF CHANGES IN EQUITY

for the period from 1 April 2024 to 30 September 2024
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Â	Notes	Share capital account Â£ (Unaudited)	Retained earnings Â£ (Unaudited)	Â Total Â£ (Unaudited)
Balances at 1 April 2024	Â	780,234,543	33,305,443	813,539,986
Dividends paid	19	-	(44,571,065)	(44,571,065)
Total comprehensive income for the period	Â	-	57,392,995	57,392,995
Balances at 30 September 2024	Â	780,234,543	46,127,373	826,361,916

Â

Â	Â	Â Share capital account Â£ (Unaudited)	Â Accumulated losses Â£ (Unaudited)	Â Total Â£ (Unaudited)
Balances at 1 April 2023	Â	750,558,986	(25,576,224)	724,982,762
Issue of Ordinary Shares	Â	30,244,890	-	30,244,890
Share issue costs	Â	(347,817)	-	(347,817)
Dividends paid	Â	-	(47,440,548)	(47,440,548)
Income equalisation on new issues	4	(242,649)	242,649	-
Total comprehensive income for the period	Â	-	60,685,298	60,685,298
Balances at 30 September 2023	Â	780,213,410	(12,088,825)	768,124,585

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The accompanying notes form an integral part of these Unaudited Condensed Interim Financial Statements.
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CONDENSED STATEMENT OF CASH FLOWS

for the period from 1 April 2024 to 30 September 2024
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Â	Notes	For the period from 01.04.24 to 30.09.24 Â£ (Unaudited)	For the period from 01.04.23 to 30.09.23 Â£ (Unaudited)
Cash flows from operating activities	Â		
Total comprehensive income for the period	Â	57,392,995	60,685,298
Less:	Â		
Adjustments for non-cash transactions:	Â		
Interest income on financial assets at fair value through profit or loss	Â	(39,806,456)	(39,617,803)
Net gains on investments	8	(5,636,331)	(18,179,471)
Amortisation adjustment under effective interest rate method	Â	(3,315,054)	(7,931,404)
Unrealised (gains)/losses on forward currency contracts	7	(5,447,465)	6,014,551
Exchange losses on cash and cash equivalents	Â	39,653	2,812
(Increase)/decrease in other receivables	Â	(106,828)	57,097
Increase in other payables	Â	335,379	32,778
Finance costs on repurchase agreements	Â	402,967	383,505
Purchase of investments	Â	(120,332,686)	Â (141,096,823)
Sale of investments/principal repayments	Â	130,134,340	151,062,974
Investment income received	Â	38,372,304	37,793,736
Bank interest income received	Â	473,291	423,134
Net cash generated from operating activities	Â	52,506,109	49,630,384
Cash flows from financing activities	Â		
Proceeds from issue of Ordinary Shares	Â	-	30,244,890
Share issue costs	Â	-	(353,037)
Dividend paid	Â	(44,571,065)	(47,440,548)
Finance costs paid	Â	(414,947)	(420,644)
Decrease in amounts payable under repurchase agreements, excluding finance cost liabilities	Â	(76,439)	(43,869,248)
Net cash used in financing activities	Â	(45,062,451)	(61,838,587)
Increase/(decrease) in cash and cash equivalents	Â	7,443,658	(12,208,203)
Cash and cash equivalents at beginning of the period	Â	13,142,803	27,235,318
Exchange losses on cash and cash equivalents	Â	(39,653)	(2,812)
Cash and cash equivalents at end of the period	Â	20,546,808	15,024,303

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The accompanying notes form an integral part of these Unaudited Condensed Interim Financial Statements.

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NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

for the period from 1 April 2024 to 30 September 2024

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1.Â **General Information**

TwentyFour Income Fund Limited (the â€œCompanyâ€) was incorporated with limited liability in Guernsey, as a closed-ended investment company on 11 January 2013. The Companyâ€™s shares (â€œOrdinary Sharesâ€, being the sole share class) were listed on the Official List of the UK Listing Authority and admitted to trading on the Main Market of the London Stock Exchange on 6 March 2013.

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Since 16 September 2022, the Company has been included on the London Stock Exchangeâ€™s FTSE 250 Index.

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The Companyâ€™s investment objective and policy is set out in the Summary Information.

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The Portfolio Manager of the Company is TwentyFour Asset Management LLP (the â€œPortfolio Managerâ€).

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2.Â **Material Accounting Policies**

a) Statement of Compliance

The Unaudited Condensed Interim Financial Statements for the period 1 April 2024 to 30 September 2024 have been prepared on a going concern basis in accordance with IAS 34 â€œInterim Financial Reportingâ€, the Disclosure Guidance and Transparency Rules Sourcebook of the United Kingdomâ€™s Financial Conduct Authority (â€œFCAâ€) and applicable legal and regulatory requirements.

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The Unaudited Condensed Interim Financial Statements should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2024, which were prepared in accordance with International Financial Reporting Standards (â€œIFRSâ€) and were in compliance with The Companies (Guernsey) Law, 2008 and which received an unqualified Auditorâ€™s report.

Â

b) Presentation of Information

In the current financial period, there have been no changes to the accounting policies from those applied in the most recent audited annual financial statements.

Â

c) Significant Judgements and Estimates

There have been no changes to the significant accounting judgements, estimates and assumptions from those applied in the most recent audited annual financial statements.

Â

d) Standards, Amendments and Interpretations Effective during the Period

At the reporting date of these Financial Statements, the following standards, interpretations and amendments, were adopted for the period ended 30 September 2024 and the year ending 31 March 2025:

Â

ÂÂÂ· Non-current Liabilities with Covenants and Classification of Liabilities as Current or Non-Current (Amendments to IAS 1) (applicable to accounting periods beginning on or after 1 January 2024);

ÂÂÂ· Lease Liability in a Sale or Leaseback (Amendments to IFRS 16) (applicable to accounting periods beginning on or after 1 January 2024);

ÂÂÂ· Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7) (applicable to accounting periods beginning on or after 1 January 2024);

Â

The directors of the Company (the â€œDirectorsâ€ or the â€œBoardâ€) believe that the adoption of the above standards does not have a material impact on the Companyâ€™s Unaudited Condensed Interim Financial Statements for the period ended 30 September 2024 and for the Annual Audited Financial Statements for the year ending 31 March 2025.

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e) Standards, Amendments and Interpretations Issued but not yet Effective

The following standards, interpretations and amendments, which have not been applied in these Unaudited Condensed Interim Financial Statements, were in issue but not yet effective:

Â

ÂÂÂ· Lack of Exchangeability (Amendments to IAS 21) (applicable to accounting periods beginning on or after 1 January 2025);

ÂÂÂ· Classification and Measurement of Financial Instruments (Amendments to IFRS 7 and IFRS 9) (applicable to periods beginning on or after 1 January 2026); and

ÂÂÂ· Presentation and Disclosures in Financial Statements (IFRS 18) (applicable to accounting periods beginning on or after 1 January 2027).

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The Directors are in process of assessing the impact of the adoption of the new standards on the financial statements of the Company.

Â

3.Â **Earnings per Ordinary Share â€“ Basic & Diluted**

The earnings per Ordinary Share â€“ Basic is calculated by dividing a company's income or profit by the number of Ordinary Shares outstanding. Diluted earnings per Ordinary Share takes into account all potential dilution that would occur if convertible securities were exercised or options were converted to stocks.

Â

As the Company has not issued options, only the Basic earnings per Ordinary Share has been calculated.

Â

Basic earnings per Ordinary Share has been calculated based on the weighted average number of Ordinary Shares of 747,836,661 (30 September 2023: 742,733,383) and a net gain of Â£57,392,995 (30 September 2023: net gain of Â£60,685,298).

Â

4.Â **Income Equalisation on New Issues**

In order to ensure there are no dilutive effects on earnings per Ordinary Share for current holders of Ordinary Shares when issuing new Ordinary Shares, earnings are calculated in respect of accrued income at the time of purchase and a transfer is made from share capital to income to reflect this. The transfer for the period is Â£Nil (30 September 2023: Â£242,649).

Â

5.Â **Net Asset Value per Ordinary Share**

The net asset value (â€œNAVâ€) of each Ordinary Share of Â£1.11 (31 March 2024: Â£1.09) is determined by dividing the value of the net assets of the Company attributed to the Ordinary Shares of Â£826,361,915 (31 March 2024: Â£813,539,986) by the number of Ordinary Shares in issue at 30 September 2024 of 747,836,661 (31 March 2024: 747,836,661).

Â

6. Â **Taxation**

The Company has been granted Exempt Status under the terms of The Income Tax (Exempt Bodies) (Guernsey) Ordinance, 1989 to income tax in Guernsey. Its liability for Guernsey taxation is limited to an annual fee of Â£1,600 (2023: Â£1,200).

Â

7.Â **Net Foreign Currency Gains**

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	For the periodÂ 01.04.24 toÂ 30.09.24 Â£Â (Unaudited)Â	For the period 01.04.23 to 30.09.23 Â£ (Unaudited)
Movement on unrealised gain/(loss) on forward currency contracts	5,447,465Â	(6,014,551)
Realised gains on foreign currency contracts	10,425,600Â	12,705,591
Unrealised foreign currency gain on receivables/payables	87,163Â	4,063
Unrealised foreign currency exchange (loss)/gain on interest receivable	(134,236)Â	19,454
Â	15,825,992Â	6,714,557

Â

8.Â Investments

Â

	For the periodÂ 01.04.24 to 30.09.24 Â£Â (Unaudited)Â	For the period 01.04.23 to 31.03.24 Â£ (Audited)
Financial assets at fair value through profit or loss:		
Opening book cost	815,142,981	832,506,047
Purchases at cost	127,075,462	281,155,894
Proceeds on sale/principal repayment	(126,706,554)	(269,963,403)
Amortisation adjustment under effective interest rate method	3,315,054	8,874,421
Realised gains on sale/principal repayment	18,306,551	3,698,699
Realised losses on sale/principal repayment	(76,273,069)	(41,128,677)
Closing book cost	760,860,425	815,142,981
Unrealised gains on investments	84,709,945	19,029,145
Unrealised losses on investments	(22,893,662)	(20,815,711)
Fair value	822,676,708	813,356,415

	For the period 01.04.24 toÂ 30.09.24 Â£Â (Unaudited)Â	For the period 01.04.23 to 30.09.23 Â£ (Unaudited)
Realised gains on sales/principal repayment	18,306,551	3,173,775
Realised losses on sales/principal repayment	(76,273,069)	(43,700,421)
Increase in unrealised gains	65,680,800	10,633,609
(Increase)/decrease in unrealised losses	(2,077,951)	48,072,508
Net gains on financial assets at fair value through profit or loss	5,636,331	18,179,471

Â

9.Â Other Receivables

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	As atÂ 30.09.24Â Â£Â (Unaudited)Â	As at 31.03.24 Â£ (Unaudited)
Coupon interest receivable	8,578,246Â	7,617,384
Prepaid expenses	131,463Â	24,635
Â	8,709,709Â	7,642,019

Â

There are no material expected credit losses for coupon interest receivable as at 30 September 2024.

Â

10.ÂOther Payables

Â

	As atÂ 30.09.24Â Â£Â (Unaudited)Â	As at 31.03.24 Â£ (Audited)
Portfolio management fees payable	1,027,242Â	835,269
Custody fees payable	34,106Â	25,479
Administration and secretarial fees payable	285,723Â	92,065
Audit fees payable	75,324Â	156,000
AIFM fees payable	33,065Â	66,283
Depositary fees payable	45,792Â	34,720
General expenses payable	114,286Â	70,343
Â	1,615,538Â	1,280,159

Â

A summary of the expected payment dates of payables can be found in the â€˜Liquidity Riskâ€™ section of note 17.

Â

11.ÂAmounts Payable Under Repurchase Agreements

The Company, as part of its investment strategy, may enter into repurchase agreements. A repurchase agreement is a short-term loan where both parties agree to the sale and future repurchase of assets within a specified contract period ("Repurchase Agreementâ€). Repurchase Agreements may be entered into in respect of securities owned by the Company which are sold to and repurchased from counterparties on contractually agreed dates and the cash generated from this arrangement can be used to purchase new securities, effectively creating leverage. The Company still benefits from any income received, attributable to the security.

Under the Companyâ€™s Global Master Repurchase Agreement, it may from time to time enter into transactions with a buyer or seller, pursuant to the terms and conditions as governed by the agreement.

Â

Finance costs on Repurchase Agreements have been presented separately from interest income. Finance costs on Repurchase Agreements amounted to Â£402,967 (30 September 2023: Â£383,505). As at 30 September 2024, finance cost liabilities on open Repurchase Agreements amounted to Â£37,305 (31 March 2024: Â£49,285).

Â

At the end of the period, amounts repayable under open Repurchase Agreements were Â£14,002,088 (31 March 2024: Â£14,090,507). Two securities were designated as collateral against the Repurchase Agreements (31 March 2024: two securities), with a total fair value of Â£17,677,193 (31 March 2024: Â£17,525,866), all of which were investment grade residential mortgage backed securities. The total exposure was -1.69% (31 March 2024: -1.73%) of the Companyâ€™s NAV. The contracts were across two counterparties and were all rolling agreements with a maturity of 3 months.

Â

The changes in amounts payable under Repurchase Agreements are disclosed below:

Â

Â	Â	For the period 01.04.24 to 30.09.24 Â£ (Unaudited)	Â	For the year 01.04.23 to 31.03.24 Â£ (Audited)
Amounts payable under Repurchase Agreements		Â	Â	Â
Opening balance, excluding finance cost liabilities	Â	14,041,222	Â	49,670,365
Agreements entered during the period/year	Â	27,993,829	Â	66,055,670
Repaid/maturities during the period/year	Â	(28,070,268)	Â	(101,684,813)
Closing balance, excluding finance cost liabilities	Â	13,964,783	Â	14,041,222
Â	Â	Â	Â	Â
Finance cost liabilities	Â	Â	Â	Â
Opening balance	Â	49,285	Â	157,335
Charged during the period/year	Â	402,967	Â	755,788
Repayments during the period/year	Â	(414,947)	Â	(863,838)
Closing balance	Â	37,305	Â	49,285

Â

12.Â Share Capital

a) Authorised Share Capital

Unlimited number of Ordinary Shares at no par value.

Â

b) Issued Share Capital

Â

Â	For the period 01.04.24 to 30.09.24 Â£ (Unaudited)	Â	For the year 01.04.23 to 31.03.24 Â£ (Audited)
Ordinary Shares	**Â**	**Â**	**Â**
Share Capital at the beginning of the period/year	780,234,543	Â	750,558,986
Issue of Ordinary Shares	-	Â	30,244,890
Share issue costs	-	Â	(347,816)
Income equalisation on new issues	-	Â	(221,517)
Total Share Capital at the end of the period/year	780,234,543	Â	780,234,543

Â	For the period 01.04.24 to 30.09.24 Number of Ordinary Shares (Unaudited)	Â	For the year 01.04.23 to 31.03.24 Number of Ordinary Shares (Audited)
Ordinary Shares	Â	Â	Â
Shares at the beginning of the period/year	747,836,661	Â	718,036,661
Issue of Ordinary Shares	-	Â	29,800,000
Total Shares in issue at the end of the period/year	747,836,661	Â	747,836,661

Â

The Share Capital of the Company consists of an unlimited number of Ordinary Shares at no par value which, upon issue, the Directors may designate as: Ordinary Shares; realisation shares, being the Ordinary Shares of Shareholders who have elected to realise their investment in the Company during a Realisation Opportunity (â€œRealisation Sharesâ€); or such other class as the Board shall determine and denominated in such currencies as shall be determined at the discretion of the Board.

Â

As at 30 September 2024, one share class has been issued, being the Ordinary Shares of the Company.

Â

No shares were held in Treasury or sold from Treasury during the period ended 30 September 2024 or during the year ended 31 March 2024.

Â

The Ordinary Shares carry the following rights:

Â

Â i) Â The Ordinary Shares carry the right to receive all income of the Company attributable to the Ordinary Shares.

Â

Â ii) Â The Shareholders present in person or by proxy or present by a duly authorised representative at a general meeting has, on a show of hands, one vote and, on a poll, one vote for each Share held.

Â

Âiii) Â56Â days before the annual general meeting date of the Company in each third year (â€œReorganisation Dateâ€), the Shareholders are entitled to serve a written notice (â€œRealisation Electionâ€) requesting that all or a part of the Ordinary Shares held by them be redesignated to Realisation Shares, subject to the aggregate NAV of the continuing Ordinary Shares on the last business day before the Reorganisation Date being not less than Â£100 million. A Realisation Notice, once given is irrevocable unless the Board agrees otherwise. If one or more Realisation Elections be duly made and the aggregate NAV of the continuing Ordinary Shares on the last business day before the Reorganisation Date is less than Â£100 million, the Realisation Opportunity will not take place. Shareholders do not have a right to have their shares redeemed and shares are redeemable at the discretion of the Board. The most recent Realisation Election took place in October 2022. The next Realisation Opportunity is due to occur at the end of the next three-year term, at the date of the AGM in September 2025.

Â

The Company has the right to issue and purchase up to 14.99% of the total number of its own shares at Â£0.01 each, to be classed as Treasury Shares and may cancel those Shares or hold any such Shares as Treasury Shares, provided that the number of Ordinary Shares held as Treasury Shares shall not at any time exceed 10% of the total number of Ordinary Shares of that class in issue at that time or such amount as provided in The Companies (Guernsey) Law, 2008.

Â

The Company has the right to re-issue Treasury Shares at a later date. Â

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Shares held in Treasury are excluded from calculations when determining earnings per Ordinary Share or NAV per Ordinary Share, as detailed in notes 3 and 5, respectively.

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13.ÂAnalysis of Financial Assets and Liabilities by Measurement Basis

Â

30 September 2024	**Assets at fair value through profit or loss Â£**	**Amortised cost Â£**	**Total Â£**
Financial Assets as per Statement of Financial Position (Unaudited)			
Financial assets at fair value through profit or loss:			
- Investments	822,676,708	-	822,676,708
- Derivative assets: Forward currency contracts	7,673,202	-	7,673,202
Other receivables (excluding prepayments)	-	8,578,246	8,578,246
Cash and cash equivalents	-	20,546,808	20,546,808
	830,349,910	29,125,054	859,474,964

30 September 2024	**Liabilities at fair value through profit or loss Â£**	**Amortised cost Â£**	**Total Â£**
Financial Liabilities as per Statement of Financial Position (Unaudited)			
Financial liabilities at fair value through profit or loss:			
- Derivative liabilities: Forward currency contracts	287,672	-	287,672
Amounts payable under repurchase agreements	-	14,002,088	14,002,088
Amounts due to brokers	-	17,339,213	17,339,213
Other payables	-	1,615,538	1,615,538
	287,672	32,956,839	33,244,511

31 March 2024	**Assets at fair value through profit or loss Â£**	**Amortised cost Â£**	**Total Â£**
Financial Assets as per Statement of Financial Position (Audited)			
Financial assets at fair value through profit or loss:			
- Investments	813,356,415	-	813,356,415
- Derivative assets: Forward currency contracts	1,958,943	-	1,958,943
Amounts due from broker	-	3,427,786	3,427,786
Other receivables (excluding prepayments)	-	7,617,384	7,617,384
Cash and cash equivalents	-	13,142,803	13,142,803
	815,315,358	24,187,973	839,503,331

31 March 2024	**Liabilities at fair value through profit or loss Â£**	**Amortised cost Â£**	**Total Â£**
Financial Liabilities as per Statement of Financial Position (Audited)			
Financial liabilities at fair value through profit or loss:			
- Derivative liabilities: Forward currency contracts	20,877	-	20,877
Amounts payable under repurchase agreements	-	14,090,507	14,090,507
Amounts due to brokers	-	10,596,437	10,596,437
Other payables	-	1,280,159	1,280,159
	20,877	25,967,103	25,987,980

14.ÂRelated Parties

a) Directorsâ€™ Remuneration & Expenses

The Directors of the Company are remunerated for their services at such a rate as the Directors determine. At the Annual General Meeting held on 14 October 2022, Shareholders approved the increase of the upper limit of aggregate director fees from Â£225,000 to Â£400,000 per annum.

Â

Following a review of external market data, with effect from 1 April 2024, the annual fees were increased from Â£60,000 to Â£75,000 for the Chair of the

Board, from Â£50,000 to Â£60,000 for the Audit Committee Chair, from Â£42,000 to Â£50,000 for the Senior Independent Director, the Chair of the Management Engagement Committee and the Chair of the Nomination and Remuneration Committee, and from Â£40,000 to Â£48,000 for all other Directors.

Â

During the period ended 30 September 2024, directorsâ€™ fees of Â£142,500 (30 September 2023: Â£136,245) were charged to the Company, of which Â£Nil (31 March 2024: Â£Nil) remained payable at the end of the period.

Â

14.ÂRelated Parties

Â **b) Shares Held by Related Parties**

As at 30 September 2024, Directors of the Company held the following shares beneficially:

Â

Â Â	Number of Ordinary Shares 30.09.24	Number of Ordinary Shares 31.03.24
Bronwyn Curtis	114,154	114,154
John Le PoidevinÂ¹	354,800	260,121
John de Garis	39,753	39,753
Joanne FintzenÂ²	86,260	38,538
Paul Le Page	49,457	49,457

Â

Â¹ On 2 August 2024, John Le Poidevin purchased 94,679 Ordinary Shares.

Â² On 5 April 2024, Joanne Fintzen purchased 47,722 Ordinary Shares.

Â

As at 30 September 2024, the Portfolio Manager held 37,660,875 Ordinary Shares (31 March 2024: 36,406,018 Ordinary Shares), which is 5.04% (31 March 2024: 4.87%) of the Issued Share Capital. Partners and employees of the Portfolio Manager held 5,585,336 Ordinary Shares (31 March 2024: 8,432,398 Ordinary Shares), which is 0.75% (31 March 2024: 1.13%) of the Issued Share Capital.

Â

The Portfolio Manager, partner and employee amounts therefore exclude shares held under any long-term incentive plan (â€œLTIPâ€) which has not yet vested. Ordinary Shares that are held in employee and partner LTIPs total 736,412, which is 0.10% of the Issued Share Capital.

Â

Any shares purchased by Directors, the Portfolio Manager and employees of the Portfolio Manager are carried out in their capacity as Shareholders. No shares are offered or awarded to any Related Parties as remuneration.

Â

c) Portfolio Manager

The portfolio management fee is payable to the Portfolio Manager, monthly in arrears at a rate of 0.75% per annum of the lower of NAV, which is calculated weekly on each valuation day, or market capitalisation of each class of shares. Total portfolio management fees for the period amounted to Â£2,631,614 (30 September 2023: Â£2,785,136) of which Â£1,027,242 (31 March 2024: Â£835,269) is due and payable at the period end. The Portfolio Management Agreement datedÂ 29 May 2014 remains in force until determined by the Company or the Portfolio Manager giving the other party not less than twelve months' notice in writing. Under certain circumstances, the Company or the Portfolio Manager is entitled to immediately terminate the agreement in writing.

Â

The Portfolio Manager is also entitled to a commission of 0.15% of the aggregate gross offering proceeds plus any applicable VAT in relation to any issue of new Shares, following admission, in consideration of marketing services that it provides to the Company. During the period, the Portfolio Manager received Â£Nil (30 September 2023: Â£45,367) in commission.

Â

15.ÂMaterial Agreements

a) Alternative Investment Fund Manager

The Companyâ€™s Alternative Investment Fund Manager (the â€œAIFMâ€) is Waystone Management (IE) Limited (â€œWaystoneâ€), effective 21 June 2024 upon retirement of the previous AIFM, Apex Fundrock Ltd (â€œApexâ€). In consideration for the services provided by the AIFM under the AIFM Agreement, up until the end of 20 June 2024, Apex was entitled to receive from the Company a minimum fee of Â£20,000 per annum and fees payable quarterly in arrears at a rate of 0.07% of the NAV of the Company below Â£50 million, 0.05% on Net Assets between Â£50 million and Â£100 million and 0.03% on Net Assets in excess of Â£100 million.

Â

Effective 21 June 2024, Waystone is entitled to receive from the Company a minimum fee of Â£65,000 and fees payable monthly or quarterly in arrears at a rate of 0.03% of the Net Assets below Â£250 million, 0.025% of the Net Assets between Â£250 million and Â£500 million, 0.02% on Net Assets between Â£500 million and Â£1 billion and 0.015% on Net Assets in excess of Â£1 billion.

Â

During the period ended 30 September 2024, AIFM fees of Â£120,349 (30 September 2023: Â£126,343) were charged to the Company, of which Â£33,065 (31 March 2024: Â£66,283) remained payable at the end of the period.

Â

b) Administrator and Secretary

Administration fees are payable to Northern Trust International Fund Administration Services (Guernsey) Limited monthly in arrears at a rate of 0.06% of the NAV of the Company below Â£100 million, 0.05% on Net Assets between Â£100 million and Â£200 million and 0.04% on Net Assets in excess of Â£200 million as at the last business day of the month subject to a minimum Â£75,000 each year. In addition, an annual fee of Â£25,000 is charged for corporate governance and company secretarial services. Total administration and secretarial fees for the period amounted to Â£193,658 (30 September 2023: Â£175,947) of which Â£285,723 (31 March 2024: Â£92,065) was due and payable at end of the period.

Â

c) Depositary

Depositary fees are payable to Northern Trust (Guernsey) Limited, monthly in arrears, at a rate of 0.0175% of the NAV of the Company up to Â£100 million, 0.0150% on Net Assets between Â£100 million and Â£200 million and 0.0125% on Net Assets in excess of Â£200 million as at the last business day of the month subject to a minimum Â£25,000 each period. Total depositary fees and charges for the period amounted to Â£55,582, (30 September 2023: Â£50,155) of which Â£45,792 (31 March 2024: Â£34,720) was due and payable at the period end.

Â

The Depositary is also entitled to a global custody fee of a minimum of Â£8,500 per annum plus transaction fees. Total global custody fees and charges for the period amounted to Â£41,408 (30 September 2023: Â£37,139) of which Â£34,106 (31 March 2024: Â£25,479) was due and payable at the period end.

Â

16.ÂInterests in Unconsolidated Structured Entities

Â IFRS 12 defines a structured entity as an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to the administrative tasks only and the relevant activities are directed by means of contractual agreements.Â Â Â Â Â Â Â Â Â Â Â Â

Â

Â A structured entity often has some of the following features or attributes:

i)Â restricted activities,

ii)Âa narrow and well defined objective, and iii)Â financing in the form of multiple instruments that create concentrations of credit or other risks.

Â

Â The Company holds various investments in Asset-Backed Securities (â€œABSâ€). The fair value of the ABS is recorded in the â€œFinancial assets at fair value through profit or loss - Investmentsâ€ line in the Condensed Statement of Financial Position. The Companyâ€™s maximum exposure to loss from these investments is equal to their total fair value. Once the Company has disposed of its holding in any of these investments, the Company ceases to be exposed to any risk from that investment. The Company has not provided, and would not be required to provide, any financial support to these investees. The investments are non-recourse.

Â

Â Below is a summary of the Companyâ€™s holdings in unconsolidated structured entities as at 30 September 2024 and 31 March 2024:

Â

As at 30 September 2024	**Number of investments (Unaudited)**	**Range of Nominal Â£ million (Unaudited)**	**Average Nominal Â£ million (Unaudited)**	**Carrying Value Â£ million (Unaudited)**	**% of Company's NAV (Unaudited)**
Asset-Backed Securities*:	Â	Â	Â	Â	Â
Auto Loans	14	5 - 58	24	34	4.1%
CLO	116	9 - 36	16	312	37.7%
CMBS	5	15 - 65	35	24	2.9%
Consumer ABS	10	11 - 58	28	26	3.1%
CRE ABS	6	7 - 17	12	28	3.4%
Credit Cards	1	18	18	4	0.5%
RMBS	55	2 - 398	25	345	41.8%
SRT	5	87 - 1,263	392	46	5.6%
Student Loans	Â 1	33	33	Â 4	0.5%
Â	213	Â	Â	823	Â

As at 31 March 2024	**Number of investments (Audited)**	**Range of Nominal Â£ million (Audited)**	**Average Nominal Â£ million (Audited)**	**Carrying Value Â£ million (Audited)**	**% of Company's NAV (Audited)**
Asset-Backed Securities*:	Â	Â	Â	Â	Â
Auto Loans	14	7 - 55	22	28	3.4%
CLO	108	9 - 36	16	302	37.1%
CMBS	6	15 - 65	35	26	3.3%
Consumer ABS	6	11 - 45	27	16	1.9%
RMBS	66	2 - 85	18	406	49.9%
SRT	3	143 - 1,263	591	31	3.8%
Student Loans	Â 1	33	33	Â 4	0.5%
Â	204	Â	Â	813	Â

Â

Â *Definition of Terms

Â â€œCLOâ€ â€“ Collateralised Loan Obligations Â Â

Â â€œCMBSâ€ â€“ Commercial Mortgage-Backed SecuritiesÂ

Â â€œCREâ€ â€“ Commercial Real Estate Â Â

Â â€œRMBSâ€ â€“ Residential Mortgage-Backed Securities

Â Â â€œSRTâ€ â€“ Significant Risk Transfer

Â

17. Â Financial Risk Management

Â The Companyâ€™s objective in managing risk is the creation and protection of Shareholder value. Risk is inherent in the Companyâ€™s activities, but it is managed through an ongoing process of identification, measurement and monitoring.

Â

Â The Companyâ€™s financial instruments include investments classified at fair value through profit or loss, cash and cash equivalents, derivative liabilities and amounts payable under Repurchase Agreements. The main risks arising from the Companyâ€™s financial instruments are market risk, credit risk and liquidity risk. The techniques and instruments utilised for the purposes of efficient portfolio management are those which are reasonably believed by the Board to be economically appropriate to the efficient management of the Company.

Â

Â **Market Risk**

Â Market risk embodies the potential for both losses and gains and includes currency risk, interest rate risk, reinvestment risk and price risk. The Companyâ€™s strategy on the management of market risk is driven by the Companyâ€™s investment objective of generating attractive risk adjusted returns principally through investment in ABS.

Â

Â The underlying investments comprised in the Portfolio are subject to market risk. The Company is therefore at risk that market events may affect performance and in particular may affect the value of the Companyâ€™s investments. Market risk involves changes in market prices or rates, including interest rates, availability of credit, inflation rates, economic uncertainty, changes in law, national and international political circumstances.

Â

Â (i) Price Risk

Â The price of an asset-backed security can be affected by a number of factors, including: (i) changes in the marketâ€™s perception of the underlying assets backing the security; (ii) economic and political factors such as interest rates, levels of unemployment and taxation which can have an impact on arrears, foreclosures and losses incurred with respect to the pool of assets backing the security; (iii) changes in the marketâ€™s perception of the adequacy of credit support built into the securityâ€™s structure to protect against losses caused by arrears and foreclosures; (iv) changes in the perceived creditworthiness of the originator of the security or any other third parties to the transaction; (v) the speed at which mortgages or loans within the pool are repaid by the underlying borrowers (whether voluntary or due to arrears or foreclosures).

Â

Â The Companyâ€™s policy also stipulates that no more than 10% of the portfolio value can be exposed to any single asset-backed security or issuer of ABS.

Â

Â (ii) Interest Rate Risk

Â Interest rate risk arises from the possibility that changes in interest rates will affect the fair value of financial assets and liabilities at fair value through profit or loss.

Â

The following tables summarise the Companyâ€™s exposure to interest rate risk:

Â

Â As at 30 September 2024	Floating rate Â£Â (Unaudited)Â Â Â	Fixed rate Â£Â (Unaudited)Â Â Â	Non-interest bearing Â£Â (Unaudited)Â Â Â	Total Â£ (Unaudited) Â
Financial assets at fair value through profit or loss	822,676,708Â	- Â	- Â	822,676,708
Derivative assets	- Â	- Â	7,673,202Â	7,673,202
Other receivables (excluding prepayments)	- Â	- Â	8,578,246Â	8,578,246
Cash and cash equivalents	20,546,808Â	- Â	- Â	20,546,808
Repurchase agreements	- Â	(14,002,088)Â	- Â	(14,002,088)
Amounts due to brokers	- Â	- Â	(17,339,213)Â	(17,339,213)
Other payables	- Â	- Â	(1,615,538)Â	(1,615,538)
Derivative liabilities	- Â	- Â	(287,672)Â	(287,672)
Net assets	843,223,516Â	(14,002,088)Â	(2,990,975)Â	826,230,453

Â Â Â As at 31 March 2024	Â Â Floating rateÂ Â£Â (Audited)Â Â Â	Â Â Fixed rateÂ Â£Â (Audited)Â Â Â	Non-interest bearingÂ Â£Â (Audited)Â Â Â	Â Â Total Â£ (Audited) Â
Financial assets at fair value through profit or loss	813,356,415Â	- Â	- Â	813,356,415
Derivative assets	- Â	- Â	1,958,943Â	1,958,943
Amounts due from broker	- Â	- Â	3,427,786Â	3,427,786
Other receivables (excluding prepayments)	- Â	- Â	7,617,384Â	7,617,384
Cash and cash equivalents	13,142,803Â	- Â	- Â	13,142,803
Repurchase agreements	- Â	(14,090,507)Â	- Â	(14,090,507)
Amounts due to brokers	- Â	- Â	(10,596,437)Â	(10,596,437)
Other payables	- Â	- Â	(1,280,159)Â	(1,280,159)
Derivative liabilities	- Â	- Â	(20,877)Â	(20,877)
Net assets	826,499,218Â	(14,090,507)Â	1,106,640Â	813,515,351

Â

If interest rates were to increase or decrease by 2.5%, with all other variables held constant, the expected effect of the returns from floating rate net assets would be a gain or loss of Â£21,080,588, respectively (31 March 2024: gain or loss of Â£20,662,480).

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The Company only holds floating rate financial assets and when short-term interest rates increase, the interest rate on a floating rate will increase. The time to re-fix interest rates ranges from 1 month to a maximum of 6 months and therefore the Company has minimal interest rate risk. However, the Company may choose to utilise appropriate strategies to achieve a desired level of interest rate exposure (the Company is permitted to use, for example, interest rate swaps to accomplish this). The value of ABS may be affected by interest rate movements. Interest receivable on bank deposits or payable on bank overdraft positions will be affected by fluctuations in interest rates; however, the underlying cash positions will not be affected. Please see note 11 for details of the amounts payable under repurchase agreements.

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The Companyâ€™s continuing position in relation to interest rate risk is monitored on a weekly basis by the Portfolio Manager as part of its review of the weekly NAV calculations prepared by the Administrator of the Company.

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(iii) Foreign Currency Risk

Foreign currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company invests predominantly in non-Sterling assets while its Shares are denominated in Sterling, and its expenses are incurred in Sterling. Therefore, the Condensed Statement of Financial Position may be significantly affected by movements in the exchange rate between foreign currencies and Sterling. The Company manages the exposure to currency movements by using spot and forward foreign exchange contracts, rolling forward on a periodic basis.

Â

	Contract values 30.09.2024 (Unaudited)	Outstanding contracts 30.09.2024 (Unaudited)	Mark-to-market equivalent 30.09.2024 (Unaudited)	Unrealised gains/(losses) 30.09.2024 (Unaudited)
Two Danish Krone forward foreign currency contracts:				
Settlement date 2 October 2024	81,000,000 kr.	Â£9,181,986	Â£9,040,634	Â£141,352
Settlement date 6 November 2024	81,000,000 kr.	Â£9,049,887	Â£9,056,550	(Â£6,663)
Contract to close out 2 October 2024 Danish Krone foreign currency contract	Â (81,000,000) kr.	(Â£9,033,424)	(Â£9,040,634)	Â£7,210
Eight Euro forward foreign currency contracts totalling:				
Settlement date 2 October 2024	â‚¬525,917,428	Â£444,626,279	Â£437,581,607	Â£7,044,672
Contract to close out 2 October 2024 Euro foreign currency contract	Â (â‚¬523,732,989)	Â (Â£435,478,744)	Â (Â£435,764,078)	Â£285,334
Two Euro forward foreign currency contracts				

totalling: Settlement date 6 November 2024	â,¬527,844,193	Â£439,533,029	Â£439,797,081	(Â£264,052)
Two US Dollar forward foreign currency contracts:				
Settlement date 2 October 2024	18,001,273	Â£13,614,287	Â£13,420,264	Â£194,023
Settlement date 6 November 2024	18,001,273	Â£13,427,073	Â£13,420,565	Â£6,508
Contract to close out 2 October 2024 US Dollar foreign currency contract	Â (18,001,273)	Â (Â£13,426,773)	Â (Â£13,420,264)	(Â£6,509)
One Euro forward foreign currency contract:				
Settlement date 2 October 2024	(â,¬2,184,439)	(Â£1,834,485)	(Â£1,817,529)	(Â£16,956)
Spot contract receivable				Â£611
				Â£7,385,530

	Contract values 31.03.2024 (Audited)	**Outstanding contracts 31.03.2024 (Audited)**	**Mark-to-market equivalent 31.03.2024 (Audited)**	**Unrealised gains/(losses) 31.03.2024 (Audited)**
One Danish Krone forward foreign currency contract:				
Settlement date 29 April 2024	91,000,000 kr.	Â£10,485,538	Â£10,440,444	Â£45,094
Three Euro forward foreign currency contracts totalling:				
Settlement date 29 April 2024	â,¬510,373,983	Â£438,550,084	Â£436,669,844	Â£1,880,240
One US Dollar forward foreign currency contract:				
Settlement date 29 April 2024	18,001,273	Â£14,281,840	Â£14,248,231	Â£33,609
One Euro forward foreign currency contract:				
Settlement date 29 April 2024	(â,¬8,401,262)	(Â£7,208,896)	(Â£7,188,019)	(Â£20,877)
				Â£1,938,066

Contract values represent the contractâ€™s notional value. Outstanding contracts are the contractâ€™s notional values, translated at the contracted foreign exchange rate from foreign currencies to Sterling, or from Sterling to foreign currencies.

As at 30 September 2024 and as at 31 March 2024, the Company held the following assets and liabilities denominated in foreign currencies:

	As at 30.09.2024 Â£ (Unaudited)	**As at 31.03.2024 Â£ (Audited)**
Danish Krone		
Assets/(Liabilities):		
Investments	7,805,199	9,626,337
Cash and cash equivalents	1,962,450	974,405
Other receivables	160,358	185,957
Open forward currency contracts	(18,097,185)	(10,440,444)
Close out forward currency contract	9,040,634	-
	871,456	346,255

	As at 30.09.2024 Â£ (Unaudited)	**As at 31.03.2024 Â£ (Audited)**
Euro		
Assets/(Liabilities):		
Investments	441,907,500	435,362,991
Cash and cash equivalents	3,301,721	(2,911,638)
Spot contract receivable	3,420,664	-
Other receivables	6,505,822	5,868,282
Amounts due to broker	(16,829,213)	(10,586,437)
Open forward currency contracts	(875,561,159)	(429,481,825)
Close out forward currency contract	435,764,078	-
	(1,490,587)	(1,748,627)

	As at 30.09.2024	**As at 31.03.2024**

	Â£	Â£
US Dollar	**(Unaudited)**	**(Audited)**
Assets/(Liabilities):		
Investments	13,396,153	14,248,960
Cash and cash equivalents	875,639	41,484
Other receivables	222,522	-
Open forward currency contracts	(26,840,829)	(14,248,231)
Close out forward currency contract	13,420,264	-
	1,073,749	42,213

Â

The tables below summarise the sensitivity of the Companyâ€™s assets and liabilities to changes in foreign exchange movements between foreign currencies and Sterling at 30 September 2024 and 31 March 2024. The analysis is based on the assumption that the relevant foreign exchange rate increased/decreased by the percentage disclosed in the table, with all other variables held constant. This represents managementâ€™s best estimate of a reasonable possible shift in the foreign exchange rates, having regard to historical volatility of those rates.

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	As at 30.09.2024 Â£ (Unaudited)	As at 31.03.2024 Â£ (Audited)
Impact on Statement of Comprehensive Income and Statement of Changes in Equity in response to a:		
- 20% increase in Danish Krone	(131,980)	(49,200)
- 20% decrease in Danish Krone	237,759	99,327

Â

	As at 30.09.2024 Â£ (Unaudited)	As at 31.03.2024 Â£ (Audited)
Impact on Statement of Comprehensive Income and Statement of Changes in Equity in response to a:		
- 20% increase in Euro	758,713	563,495
- 20% decrease in Euro	392,777	(29,071)

	As at 30.09.2024 Â£ (Unaudited)	As at 31.03.2024 Â£ (Audited)
Impact on Statement of Comprehensive Income and Statement of Changes in Equity in response to a:		
- 20% increase in US Dollar	(178,708)	(8,484)
- 20% decrease in US Dollar	268,813	8,381

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(iv) Reinvestment Risk

Reinvestment risk is the risk that future coupons from a bond will not be reinvested upon redemption at the interest rate which was prevailing when the bond was initially purchased.

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A key determinant of a bondâ€™s yield is the price at which it is purchased and, therefore, when the market price of bonds generally increases, the yield of bonds purchased generally decreases. As such, the overall yield of the Portfolio, and therefore the level of dividends payable to Shareholders, would fall to the extent that the market prices of ABS generally rise and the proceeds of ABS held by the Company that mature or are sold are not able to be reinvested in ABS with a yield comparable to that of the Portfolio as a whole.

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(v) Price Sensitivity Analysis

The analysis below shows the Companyâ€™s sensitivity to movement in market prices based on a 10% increase or decrease, representing managementâ€™s best estimate of a reasonable possible shift in market prices, having regard to historical volatility.

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At 30 September 2024, if market prices had been 10% higher with all other variables held constant, the increase in net assets attributable to Shareholders would have been Â£82,267,671 (31 March 2024: Â£81,335,642). An equal change in the opposite direction would have decreased the net assets attributable to equity Shareholders by the same amount. This price sensitivity analysis covers the market prices received from price vendors, brokers and those determined using models (such as discounted cash flow models) on the assumption that the prices determined from these sources had moved by the indicated percentage.

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As noted in note 18, the valuation models used for some of the portfolio assets (typically discounted cash flow models) include unobservable inputs that may rely on assumptions that are subject to judgement. Actual trading results may differ from the above sensitivity analysis and those differences may be material.

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Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Portfolio Manager monitors exposure to credit risk on an on-going basis.

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The main concentration of credit risk to which the Company is exposed arises from the Companyâ€™s investments in ABS. The Company is also exposed to counterparty credit risk on forwards, cash and cash equivalents, amounts due from brokers and other receivable balances. During the period, none of the Companyâ€™s investments in ABS were in default (31 March 2024: none).

Â

The Companyâ€™s policy to manage this risk is by no more than 20% of the portfolio value being backed by collateral in any single country (save that this restriction will not apply to Northern European countries). The Company also manages this credit risk by no more than 10% of the portfolio being exposed to any single asset-backed security or issuer of ABS, no more than 40% of the portfolio being exposed to issues with a value greater than 5%, and no more than 10% of the portfolio value being exposed to instruments not deemed securities for the purposes of the Financial Services and Market Act 2000.

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The Portfolio of ABS by ratings category using the highest rating assigned by Standard and Poorâ€™s (â€œS&Pâ€), Moodyâ€™s Analytics (Moodyâ€™sâ€) or Fitch Ratings (â€œFitchâ€) :

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	30.09.24	31.03.24
AAA	0.68%	-
AA+	1.75%	-
AA-	0.67%	2.42%
A+	5.13%	3.62%
A	0.55%	2.31%
A-	1.48%	3.00%
BBB+	6.30%	6.83%
BBB	1.15%	1.77%
BBB-	3.61%	4.10%
BB+	9.39%	8.62%
BB	3.86%	4.65%
BB-	12.03%	12.78%
B+	5.15%	4.70%
B	5.90%	5.35%
B-	12.93%	12.26%
CCC-	0.55%	0.59%
NR*	28.87%	27.00%
	100.00%	100.00%

Â

*The non-rated exposure within the Company is managed in exactly the same way as the exposure to any other rated bond in the Portfolio. A bond not rated by any of Moodyâ€™s, S&P or Fitch does not necessarily translate as poor credit quality. Often smaller issues/tranches, or private deals which the Company holds, will not apply for a rating due to the cost of doing so from the relevant credit agencies. The Portfolio Manager has no credit concerns with the unrated, or rated, bonds currently held, as there have been no defaults in the period. The Portfolio Manager will estimate an internal rating for unrated bonds by considering all relevant factors, including but not limited to, the relationship between the bondâ€™s maturity and its price and/or yield, the ratings of comparable bonds, and the issuerâ€™s financial statements; however, this is not used for any investment monitoring, reporting or otherwise.

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To further minimise credit risk, the Portfolio Manager undertakes extensive due diligence procedures on investments in ABS and monitors the on-going investment in these securities. The Company may also use credit default swaps to mitigate the effects of market volatility on credit risk.

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The Company manages its counterparty exposure in respect of cash and cash equivalents and forwards by investing with counterparties with a â€œsingle Aâ€ or higher credit rating. All cash is currently placed with The Northern Trust Company. The Company is subject to credit risk to the extent that this institution may be unable to return this cash. The Northern Trust Company is a wholly owned subsidiary of The Northern Trust Corporation. The Northern Trust Corporation is publicly traded and a constituent of the S&P 500. The Northern Trust Corporation has a credit rating of A+ from Standard & Poor's and A2 from Moody's.

Â

The Companyâ€™s maximum credit exposure is limited to the carrying amount of financial assets recognised as at the Condensed Statement of Financial Position date, as summarised below:

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	As at 30.09.24	As at 31.03.24
	Â£	Â£
	(Unaudited)	(Audited)
Investments	822,676,708	813,356,415
Cash and cash equivalents	20,546,808	13,142,803
Unrealised gains on derivative assets	7,673,202	1,958,943
Amounts due from broker	-	3,427,786
Other receivables (excluding prepayments)	8,578,246	7,617,384
	859,474,964	839,503,331

Â

Investments in ABS that are not backed by mortgages present certain risks that are not presented by Mortgage-Backed Securities (â€œMBSâ€). Primarily, these securities may not have the benefit of the same security interest in the related collateral. Therefore, there is a possibility that recoveries on defaulted collateral may not, in some cases, be available to support payments on these securities. The risk of investing in these types of ABS ultimately dependent upon payment of the underlying debt by the debtor.

Â

Liquidity Risk

Liquidity risk is the risk that the Company may not be able to generate sufficient cash resources to settle its obligations as they fall due or can only do so on terms that are materially disadvantageous.

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Investments made by the Company in ABS may be relatively illiquid and this may limit the ability of the Company to realise its investments. Investments in ABS could also have no active market and the Company could have no redemption rights in respect of these investments. The Company has the ability to borrow to ensure sufficient cash flows.

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The Portfolio Manager considers expected cash flows from financial assets in assessing and managing liquidity risk, in particular its cash resources and trade receivables. Cash flows from trade and other receivables are all contractually due within twelve months.

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The Portfolio Manager maintains a liquidity management policy to monitor the liquidity risk of the Company.

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Repurchase agreements may be entered into in respect of securities owned by the Company which are sold to and repurchased from counterparties on contractually agreed dates and the cash generated from these arrangements can be used for short-term liquidity.

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Shareholders have no right to have their shares redeemed or repurchased by the Company, however, Shareholders may elect to realise their holdings as detailed in note 12 and the Capital Risk Management section of this note.

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Shareholders wishing to release their investment in the Company are therefore required to dispose of their shares on the market. Therefore, there is no risk that the Company will not be able to fund redemption requests.

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	Up to 1 month	1-6 months	6-12 months	Total
	Â£	**Â£**	**Â£**	**Â£**
	(Unaudited)	**(Unaudited)**	**(Unaudited)**	**(Unaudited)**
As at 30 September 2024	Â	Â	Â	Â
Financial liabilities	Â	Â	Â	Â
Repurchase agreements	-	(14,002,088)	-	(14,002,088)
Unrealised loss on derivative liabilities	(287,672)	-	-	(287,672)
Amounts due to broker	(17,339,213)	-	-	(17,339,213)
Other payables	(1,505,214)	(110,324)	-	(1,615,538)
Total	(19,132,099)	(14,112,412)	-	(33,244,511)

	Up to 1 month	1-6 months	6-12 months	Total
	Â£	**Â£**	**Â£**	**Â£**
	(Audited)	**(Audited)**	**(Audited)**	**(Audited)**
As at 31 March 2024	Â	Â	Â	Â
Financial liabilities	Â	Â	Â	Â
Repurchase agreements	-	(14,090,507)	-	(14,090,507)
Unrealised loss on derivative liabilities	(20,877)	-	-	(20,877)
Amounts due to broker	(10,596,437)	-	-	(10,596,437)
Other payables	(1,124,159)	(156,000)	-	(1,280,159)
Total	(11,741,473)	(14,246,507)	-	(25,987,980)

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Capital Risk Management

The Company manages its capital to ensure that it is able to continue as a going concern while following the Companyâ€™s stated investment policy and when considering and approving dividend payments. The capital structure of the Company consists of Shareholdersâ€™ equity, which comprises Share Capital and other reserves. To maintain or adjust the capital structure, the Company may return capital to Shareholders or issue new Ordinary Shares. There are no regulatory requirements to return capital to Shareholders.

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(i) Share Buybacks

The Company has been granted the authority to make market purchases of up to a maximum of 14.99% of the aggregate number of Ordinary Shares in issue at a price not exceeding the higher of (i) 5% above the average of the mid-market values of the Ordinary Shares for the 5 business days before the purchase is made or, (ii) the higher of the price of the last independent trade and the highest current investment bid for the Ordinary Shares.

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In deciding whether to make any such purchases, the Directors will have regard to what they believe to be in the best interests of the Company as a whole, to the applicable legal requirements and any other requirements in its Articles. The making and timing of any buybacks will be at the absolute discretion of the Board and not at the option of the Shareholders, and is expressly subject to the Company having sufficient surplus cash resources available (excluding borrowed moneys).

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(ii) Realisation Opportunity

A Realisation Opportunity shall be at the annual general meeting of the Company in each third year. On 21 October 2022, the Company concluded its most recent Realisation Opportunity. The next Realisation Opportunity is expected to take place in Autumn 2025, subject to the aggregate NAV of the continuing Ordinary Shares on the last Business Day before Reorganisation being not less than Â£100 million.

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It is anticipated that realisations will be satisfied by the assets underlying the relevant shares being managed on a realisation basis, which is intended to generate cash for distribution as soon as practicable and may ultimately generate cash which is less than the published NAV per Realisation Share.

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In the event that the Realisation takes place, it is anticipated that the ability of the Company to make returns of cash to the holders of Realisation Shares will depend in part on the ability of the Portfolio Manager to realise the Portfolio.

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(iii) Continuation Votes

In the event that the Company does not meet the dividend target in any financial reporting period as disclosed in note 19, the Directors shall propose an Ordinary Resolution that the Company continues its business as a closed-ended collective investment scheme at the Annual General Meeting following that financial reporting period.

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18. ÂFair Value Measurement

All assets and liabilities are carried at fair value or at amortised cost, which equates to fair value.

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IFRS 13 requires the Company to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

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(i)ÂQuoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).

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(ii) Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices including interest rates, yield curves, volatilities, prepayment speeds, credit risks and default rates) or other market corroborated inputs (Level 2).

Â

(iii) Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

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The following tables analyse within the fair value hierarchy the Companyâ€™s financial assets and liabilities (by class) measured at fair value for the period ended 30 September 2024 and year ended 31 March 2024.

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	Level 1	Level 2	Level 3	Total
	Â£	**Â£**	**Â£**	**Â£**
	(Unaudited)	**(Unaudited)**	**(Unaudited)**	**(Unaudited)**
Assets	Â	Â	Â	
Financial assets at fair value through profit or loss:	Â	Â	Â	
Asset-Backed Securities:	Â	Â	Â	
Auto Loans	-	33,727,009	-	33,727,009
CLO	-	311,390,487	-	311,390,487
CMBS	-	24,111,286	-	24,111,286
Consumer ABS	-	25,693,446	-	25,693,446
CRE ABS	-	27,840,820	-	27,840,820
Credit Cards	-	4,428,637	-	4,428,637

	Level 1	Level 2	Level 3	Total
RMBS	-	157,576,941	187,659,918	345,236,859
SRT	-	46,054,236	-	46,054,236
Student Loans	-	4,193,928	-	4,193,928
Forward currency contracts	-	7,673,202	-	7,673,202
Total assets as at 30 September 2024	-	642,689,992	187,659,918	830,349,910
Liabilities				
Financial liabilities at fair value through profit or loss:				
Forward currency contracts	-	287,672	-	287,672
Total liabilities as at 30 September 2024	-	287,672	-	287,672

	Level 1	**Level 2**	**Level 3**	**Total**
	Â£	**Â£**	**Â£**	**Â£**
	(Audited)	**(Audited)**	**(Audited)**	**(Audited)**
Assets				
Financial assets at fair value through profit or loss:				
Asset-Backed Securities:				
Auto Loans	-	27,531,003	-	27,531,003
CLO	-	302,173,103	-	302,173,103
CMBS	-	26,496,489	-	26,496,489
Consumer ABS	-	15,682,235	-	15,682,235
RMBS	-	222,368,778	183,915,529	406,284,307
SRT	-	30,840,110	-	30,840,110
Student Loans	-	4,349,168	-	4,349,168
Forward currency contracts	-	1,958,943	-	1,958,943
Total assets as at 31 March 2024	-	631,399,829	183,915,529	815,315,358
Liabilities				
Financial liabilities at fair value through profit or loss:Â				
Forward currency contracts	-	20,877	-	20,877
Total liabilities as at 31 March 2024	-	20,877	-	20,877

ABS which have a value based on quoted market prices in active markets are classified in Level 1. At the end of the period, no ABS held by the Company are classified as Level 1.

ABS which are not traded or dealt on organised markets or exchanges are classified in Level 2 or Level 3. ABS with prices obtained from independent price vendors, where the Portfolio Manager is able to assess whether the observable inputs used for their modelling of prices are accurate and the Portfolio Manager has the ability to challenge these vendors with further observable inputs, are classified as Level 2. Prices obtained from vendors who are not easily challengeable or transparent in showing their assumptions for the method of pricing these assets, are classified as Level 3. ABS priced at an average of two vendorsâ€™ prices are classified as Level 3.

Where the Portfolio Manager determines that the price obtained from an independent price vendor is not an accurate representation of the fair value of the asset-backed security, the Portfolio Manager may source prices from third party broker or dealer quotes and if the price represents a reliable and an observable price, the asset-backed security is classified as Level 2. Any broker quote that is over 20 days old is considered stale and is classified as Level 3. Any stale price within the portfolio as at 30 September 2024 has been assessed by the Portfolio Manager and the resulting valuation considered a fair value at that date. Furthermore, the Portfolio Manager may determine that the application of a mark-to-model basis may be appropriate where they believe such a model will result in more reliable information with regards to the fair value of any specific investments.

The Portfolio Manager has engaged a third-party valuer for certain other specific assets where the Portfolio Manager believes the third-party valuer would provide more reliable, fair value information with regards to certain of the Companyâ€™s investments for the period ended 30 September 2024. The valuation of these assets and others that the Portfolio Manager may deem appropriate to provide a valuation at fair value, primarily use discounted cash flow analysis but may also include the use of a comparable armâ€™s length transaction, reference to other securities that are substantially the same, and other valuation techniques commonly used by market participants making the maximum use of market inputs and relying as little as possible on entity-specific inputs. The discounted cash flow models include assumptions that are subject to judgement such as prepayment rates, recovery rates and the discount margin/discount rate. As at 30 September 2024, investments (related primarily to RMBS/MBS investments) totalling 19.29% of the portfolio were valued by the third-party valuer (31 March 2024: 19.12%). These investments are presented in the following tables. Valuations performed by the third-party valuer are classified as Level 3.

Please see note 3 (ii) of the Audited Financial Statements for the year ended 31 March 2024 for the accounting policy outlining the treatment fair value of securities not quoted in an active market.

The tables below represent the significant unobservable inputs used in the fair value measurement of Level 3 investments, valued by a third-party valuer, together with a quantitative sensitivity analysis as of 30 September 2024 and 31 March 2024:

30 September 2024	**Fair Value (Â£)**	**Financial Assets/Liabilities**	**Unobservable Input**	**Sensitivity Used**	**Effect on Fair Value (Â£)**		
(Unaudited)							
Dutch RMBS	48,347,137	Financial Asset	Discount Margin (970 bps)	+5% / -5%	5,043,328	/	(4,001,981)
UK RMBS	43,684,694	Financial Asset	Discount Margin (174 bps/ 950 bps/ 1005 bps/ 1050 bps)	+5% / -5%	3,062,793	/	411,951

UK RMBS	31,660,748	Financial Asset	Discount Margin (149 bps)	+0.5% / -0.5%	362,486 / (356,162)
UK RMBS (underlying risk - AAA)	34,967,339	Financial Asset	Discount Margin (303 bps/ 305 bps)	+3% / -3%	1,814,659 / (1,713,125)

31 March 2024 (Audited)	Fair Value (Â£)	Financial Assets/Liabilities	Unobservable Input	Sensitivity Used	Effect on Fair Value (Â£)
Dutch RMBS	54,142,754	Financial Asset	Discount Margin (965 bps)	+5% / -5%	6,871,331 / (5,477,982)
UK RMBS	64,557,878	Financial Asset	Discount Margin (179 bps/ 950 bps/ 1025 bps/ 1060 bps)	+5% / -5%	5,712,626 / (4,538,301)
UK RMBS (underlying risk - AAA)	36,853,297	Financial Asset	Discount Margin (300 bps/ 351 bps)	+3% / -3%	3,338,550 / (2,880,236)

Â

Although various variable inputs are used in the valuation models of these investments, including constant default rate, the only unobservable input that may have a material impact is the discount margin. As a result, only this input has been disclosed.

Â

Please refer to the price sensitivity analysis disclosed in note 17 where the price sensitivity related to market risk has been disclosed.

Â

The above sensitivity analysis has been completed on those assets valued by the third-party valuer. For the remaining assets classified as Level 3 at 30 September 2024 totalling Â£29 million (31 March 2024: Â£28.3 million), no meaningful sensitivity on inputs can be performed due to the unobservable nature of the pricing. The valuations of these positions are provided monthly from external sources.

Â

During the current and prior periods, there were no transfers between Level 2 and Level 3.

Â

Â The following tables present the movement in Level 3 instruments for the period ended 30 September 2024 and year ended 31 March 2024 by class of financial instrument.

Â

Â	Opening balance at 1 April 2024 Â£ (Unaudited)	Total purchases during the period ended 30 September 2024 Â£ (Unaudited)	Total sales during the period ended 30 September 2024 Â£ (Unaudited)	Realised gains on Level 3 Investments held during the period ended 30 September 2024 Â£ (Unaudited)	Realised losses on Level 3 Investments held during the period ended 30 September 2024Â Â£ (Unaudited)	Unrealised gains for the period for Level 3 Investments held at 30 September 2024 Â£ (Unaudited)	Unrealised losses for the period for Level 3 Investments held at 30 September 2024 Â£ (Unaudited)	Transfer into Level 3 Â£ (Unaudited)	Transfer out Level 3 Â£ (Unaudited)	Closing balance at 30 September 2024 Â£ (Unaudited)
RMBS	183,915,529	20,895,694	(26,314,022)	13,300,389	(62,862,595)	72,459,600	(13,734,677)	-	-	187,659,918
Â	183,915,529	20,895,694	(26,314,022)	13,300,389	(62,862,595)	72,459,600	(13,734,677)	-	-	187,659,918

Â	Opening balance at 1 April 2023 Â£ (Audited)	Total purchases during the year ended 31 March 2024 Â£ (Audited)	Total sales during the year ended 31 March 2024 Â£ (Audited)	Realised gains on Level 3 Investments held during the year ended 31 March 2024 Â£ (Audited)	Realised losses on Level 3 Investments held during the year ended 31 March 2024Â Â£ (Audited)	Unrealised gains for the year for Level 3 Investments held at 31 March 2024Â Â£ (Audited)	Unrealised losses for the year for Level 3 Investments held at 31 March 2024 Â£ (Audited)	Transfer into Level 3 Â£ (Audited)	Transfer out Level 3 Â£ (Audited)	Closing balance at 31 March 2024 Â£ (Audited)
RMBS	207,207,308	68,388,091	(111,175,331)	2,023,664	(15,796,291)	36,159,879	(2,891,791)	-	-	183,915,529
Â	207,207,308	68,388,091	(111,175,331)	2,023,664	(15,796,291)	36,159,879	(2,891,791)	-	-	183,915,529

Â

All other financial assets and liabilities are carried at amortised cost. Their carrying values are a reasonable approximation of fair value.

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19.ÂDividend Policy

The Board intends to distribute an amount at least equal to the value of the Companyâ€™s income available for distribution arising each quarter to the holders of Ordinary Shares. For these purposes, the Companyâ€™s income will include the interest payable by the ABS in the Portfolio and the amortisation of any discount or premium to par at which an asset-backed security is purchased over its remaining expected life, prior to its maturity. However, there is no guarantee that the dividend target for future financial years will be met or that the Company shall pay any dividends at all.

Â

From 24 February 2023, the annual target dividend was changed from 7% to 8% (the equivalent of 8 pence per Ordinary Share) or higher of the Issue Price. The change became effective from the dividend declared in respect of the 3-month period ended 31 March 2023.

Â

Dividends paid with respect to any quarter comprise (a) the accrued income of the Portfolio for the period, and (b) an additional amount to reflect any income purchased in the course of any share subscriptions that took place during the period. Including purchased income in this way ensures that the income yield of the shares is not diluted as a consequence of the issue of new shares during an income period and (c) any income on the foreign exchange contracts created by the SONIA differentials between each foreign currency pair, less (d) total expenditure for the period.

Â
The Company, being a Guernsey regulated entity, is able to pay dividends out of capital. Nonetheless, the Board carefully considers any dividend payments made to ensure the Company's capital is maintained in the longer term. Careful consideration is also given to ensuring sufficient cash is available to meet the Company's liabilities as they fall due.
Â
The Board expects that dividends will constitute the principal element of the return to the holders of Ordinary Shares.
Â
Under The Companies (Guernsey) Law, 2008, the Company can distribute dividends from capital and revenue reserves, subject to the net asset and solvency test. The net asset and solvency test considers whether a company is able to pay its debts when they fall due, and whether the value of a companyâ€™s assets is greater than its liabilities. The Board confirms that the Company passed the net asset and solvency test for each dividend paid.
Â
The Company declared the following dividends during the period ended 30 September 2024:

Â

Period to	Dividend rate per Ordinary Share (Â£)	Â	Net dividend payable (Â£)	Â	Ex-dividend date	Â	Record date	Â	Pay date
31 March 2024	0.0396	Â	29,614,332	Â	18 April 2024	Â	19 April 2024	Â	3 May 2024
30 June 2024*	0.0200	Â	14,956,733	Â	18 July 2024	Â	19 July 2024	Â	2 August 2024
Â	Â	Â	44,571,065	Â	Â	Â	Â	Â	Â
30 September 2024*	0.0200	Â	14,956,733	Â	17 October 2024	Â	18 October 2024	Â	1 November 2024

Â
*These dividends were declared in respect of distributable profit for the period ended 30 September 2024.
Â

20.ÂUltimate Controlling Party

Â In the opinion of the Directors on the basis of shareholdings advised to them, the Company has no ultimate controlling party.
Â

21. ÂSignificant Events during the Period

Events arising in Ukraine, as a result of military action being undertaken by Russia in 2022, may impact on securities directly or indirectly related to companies domiciled in Russia and/or listed on exchanges located in Russia (â€œRussian Securitiesâ€). As at 30 September 2024, the Company does not have any direct exposure to securities in either region.
Â
In early October 2023, the situation in Israel and Gaza escalated significantly with the Hamas attacks and resulting Israeli military action in Gaza, and subsequent global government reactions dominated news flow. As at 30 September 2024, the Company does not have any direct exposure to securities in either region. The Directors are monitoring developments related to this military action, including current and potential future interventions of foreign governments and economic sanctions.
Â
During the period, asset managers within the UK and Europe have seen increased pressure from stakeholders to assess and disclose the impact of climate change on investment portfolios. The Portfolio Manager has a formalised approach to the risk integrated within a robust ESG framework which is a major factor in the Portfolio Managerâ€™s investment analysis. The Board continues to evaluate what aspects the Company will consider reporting, based on the regulatory requirements of the Company and developing best practice in the Companyâ€™s sector.
Â

22.ÂSubsequent Events

These Unaudited Condensed Interim Financial Statements were approved for issuance by the Board on 19 November 2024. Subsequent events have been evaluated until this date.
Â
On 9 October 2024, the Company declared a dividend of 2.00p per Ordinary Share, which was paid on 1 November 2024.
Â
As at 15 November 2024, the published NAV per Ordinary Share for the Company was 110.08p. This represents a decrease of 0.38% (NAV as at 30 September 2024: 110.50p).
Â

GLOSSARY OF TERMS AND ALTERNATIVE PERFORMANCE MEASURES

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Alternative Performance Measures (â€œAPMSâ€)

In accordance with ESMA Guidelines on Alternative Performance Measures ("APMs"), the Board has considered what APMs are included in the Interim Management Report and Unaudited Condensed Interim Financial Statements which require further clarification. APMs are defined as 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. The APMs included below are unaudited and outside the scope of IFRS.
Â

Discount/Premium

If the share price of an investment company is lower than the NAV per Ordinary Share, the shares are said to be trading at a discount. The size of the discount is calculated by subtracting the share price from the NAV per Ordinary Share and is usually expressed as a percentage of the NAV per Ordinary Share. If the share price is higher than the NAV per Ordinary Share, the shares are said to be trading at a premium.
Â

Â	Â	Â	Â	Â	Â	**30.09.2024**	**31.03.2024**
Â	Â	Â	Â	Â	Â	**pence**	**pence**
Share price	Â	Â	Â	Â	Â	105.60	104.80
NAV per Ordinary Share (a)		Â	Â	Â	Â	110.50	108.79
Discount to NAV (b)		Â	Â	Â	Â	Â (4.90)	(3.99)
Discount as a percentage (b/a)			Â	Â	Â	Â (4.43%)	Â (3.67%)

Â

Average Discount/Premium

The discount or premium is calculated as described above at the close of business on every Friday that is also a business day, as well as the last business day of every month, and an average taken for the year.
Â

Dividends Declared

Dividends declared are the dividends that are announced in respect of the current accounting period. They usually consist of 4 dividends: three interim dividends in respect of the periods to June, September and December. The fixed interim dividend is 2.00 pence per Ordinary Share. A fourth quarter dividend is declared in respect of March where the residual income for the year is distributed.
Â

Dividend Yield

Dividend yield is the percentage of dividends declared in respect of the period, divided by the initial share issue price of 100.00 pence. The strategy aims to generate an annual dividend of 6 pence per Ordinary Share or higher, as the Directors determine at their absolute discretion from time to time, with all excess income being distributed to investors at the year end of the Company.

Â

Net Asset Value (â€œNAVâ€)

NAV is the net assets attributable to Shareholders. NAV is calculated using the accounting standards specified by International Financial Reporting Standards (â€œIFRSâ€) and consists of total assets, less total liabilities.

Â

NAV per Ordinary Share

NAV per Ordinary Share is the net assets attributable to Shareholders, expressed as an amount per individual share. NAV per Ordinary Share is calculated by dividing the total net asset value of Â£826,361,916 (31 March 2024: Â£813,539,986) by the number of Ordinary Shares at the end of the period of 747,836,661 units (31 March 2024: 747,836,661). This produces a NAV per Ordinary Share of 110.50p (31 March 2024: 108.79p), which was an increase of 1.57% (31 March 2024: increase of 7.74%).

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Ongoing Charges

The ongoing charges represent the Companyâ€™s management fee and all other operating expenses, excluding finance costs, share issue or buyback costs and non-recurring legal and professional fees, expressed as a percentage of the average of the weekly net assets during the period/year. The Board continues to be conscious of expenses and works hard to maintain a sensible balance between good quality service and cost.

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Total NAV Return per Ordinary Share

Total NAV return per Ordinary Share is calculated by adding the increase or decrease in NAV per Ordinary Share to the dividends paid per Ordinary Share and dividing it by the NAV per Ordinary Share at the start of the period/year.

Â

Â	**30.09.2024**	**31.03.2024**
Â	**pence**	**pence**
Opening NAV per share (a)	108.79	100.97
Closing NAV per share	110.50	108.79
Increase in NAV per share (b)	1.71	7.82
Dividends paid per Ordinary Share (c)	5.96	10.46
Total NAV return ((b+c)/a)	7.05%	18.10%

Â

Portfolio Performance

Portfolio performance is calculated by summing interest earned, realised and unrealised gains or losses on investments, less unrealised foreign exchange gains or losses on investments during the year, divided by the closing book cost for the year, stated as a percentage.

Â

Â	**30.09.2024**	**31.03.2024**
Â	**Â£**	**Â£**
Interest income earned	39,806,456	74,803,793
Net gains on investments	5,636,331	53,903,533
Unrealised foreign exchange losses on investments	(18,217,196)	(6,323,259)
Total portfolio income (a)	63,659,983	135,030,585
Closing portfolio book cost (b)	760,860,425	815,142,981
Portfolio performance (a/b)	8.37%	16.57%

Â

Repurchase Agreement Borrowing

Repurchase agreement borrowing is calculated by taking the fair value of repurchase agreements, divided by the fair value of investments, stated as a percentage.

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Â	**30.09.2024**	**31.03.2024**
Â	**Â£**	**Â£**
Amounts payable under repurchase agreements (a)	14,002,088	14,090,507
Investments at fair value through profit or loss (b)	822,676,708	813,356,415
Repurchase agreement borrowing (a/b)	1.70%	1.73%

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CORPORATE INFORMATION

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John de Garis
Joanne Fintzen (Senior Independent Director)
Paul Le Page
John Le Poidevin
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Alternative Investment Fund Manager (â€œAIFMâ€)
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Up until 21 June 2024
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Hamilton Centre
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