TWENTYFOUR INCOME FUND LIMITED

INTERIM MANAGEMENT REPORT AND UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

For the period from 1 April 2021 to 30 September 2021

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CORPORATE INFORMATION

Directors
Trevor Ash (Chairman)
Ian Burns (Senior Independent Director)
Richard Burwood
John de Garis (appointed 9 July 2021)
Joanne Fintzen
John Le Poidevin (appointed 9 July 2021)

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Les Banques
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Alternative Investment Fund Manager ("AIFM")
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Guernsey, GY1 3DA

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Northern Trust International Fund Administration Services (Guernsey) Limited
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Tudor House
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St Peter Port
Guernsey, GY1 1DB

SUMMARY INFORMATION

The Company
TwentyFour Income Fund Limited (the “Company”) was incorporated with limited liability in Guernsey, as a closed-ended investment company on 11 January 2013. The Company’s shares were listed with a Premium Listing 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.

Investment Objective and Investment Policy
The Company’s investment objective is to generate attractive risk adjusted returns principally through income distributions.

The Company’s investment policy is to invest in a diversified portfolio of predominantly UK and European Asset Backed Securities.

The Company will maintain a Portfolio diversified by issuer, it being anticipated that the Portfolio will comprise at least 50 Asset Backed Securities at all times.

The Portfolio must comply, as at each date an investment is made, with the following restrictions:

(i) no more than 20 per cent. of the Portfolio value will be backed by collateral in any single country (save that this restriction will not apply to Northern European countries);
(ii) no more than 10 per cent. of the Portfolio value will be exposed to any single Asset Backed Security or issuer of Asset Backed Securities, but provided that where more than 5 per cent. of the Portfolio value is exposed to a single Asset Backed Security, these Asset Backed Securities in respect of which more than 5 per cent. of the Portfolio value is exposed, may not, in aggregate, make up more than 40 per cent. of the total Portfolio value of the Company;
(iii) no more than 15 per cent. of the Portfolio value will be exposed in aggregate to instruments not deemed securities for the purposes of the Financial Services and Markets Act (the “FSMA”), provided that no more than 3 per cent. of the Portfolio value will be exposed to any single such instrument; and
(iv) up to 10 per cent. of the Portfolio value may be exposed to Asset Backed Securities backed by collateral from several countries where, in addition to countries within the UK and Europe, one or more of the countries is outside of the UK and Europe.

As an exception to the requirements set out above, TwentyFour Asset Management LLP (the “Portfolio Manager”) will be permitted to purchase new investments at any time when the Portfolio does not comply with one or more of those restrictions so long as, at the time of investment:

- the asset purchased would be compliant with the single country restriction above (even where following the purchase more than 20 per cent. of the Portfolio will be backed by collateral in another single country due to market movements);
- the asset purchased would be compliant with the single Asset Backed Security/issuer exposure restriction above (even where following the purchase more than 10 per cent. of the Portfolio value will be exposed to any single Asset Backed Security or issuer of Asset Backed Securities, provided that Asset Backed Securities within the Portfolio to which more than 5 per cent. of the Portfolio value is exposed, may not make up more than 40 per cent. of the total Portfolio value of the Company); and
- such purchase does not make the Portfolio, in aggregate, less compliant with any of (i), (ii), (iii) and (iv) above.

SUMMARY INFORMATION Continued

Investment Objective and Investment Policy (continued)
Uninvested cash or surplus capital or assets may be invested on a temporary basis in:

- cash or cash equivalents, namely money market funds or short term money market funds (as defined in the 'Guidelines on a Common Definition of European Money Market Funds' published by the Committee of European Securities Regulators (CESR) and adopted by the European Securities and Markets Authority (ESMA)) and other money market instruments (including certificates of deposit, floating rate notes and fixed rate commercial paper of banks or other counterparties having a "single A" or higher credit rating as determined by any internationally recognised rating agency selected by the Board which, may or may not be registered in the EU); and
- any "government and public securities" as defined for the purposes of the FCA Rules.

The Company may employ gearing or derivatives for investment purposes.

The Company may, from time to time, use borrowing for investment opportunities and short-term liquidity purposes, which could be achieved through a loan facility or other types of collateralised borrowing instruments including repurchase transactions or stock lending. The Company may have more than one, loan, repurchase or stock loan facility in place. The Company is permitted to provide security to lenders in order to borrow money, which may be by way of mortgages, charges or other security interests or by way of outright transfer of title to the Company's assets. In this case, the Directors will restrict borrowing to an amount not exceeding 25 per cent. of the Company's Net Asset Value at the time of drawdown. Derivatives may be used for currency hedging purposes as set out below and for efficient portfolio management.

In accordance with the Listing Rules, the Company can only make a material change to its investment policy with the approval of its Shareholders by Ordinary Resolution.

Target Returns
The Company has a target annual net total return on the Company's NAV of between 6% and 9% per annum, which includes quarterly dividends with a target yield each financial year of 6% (the equivalent of 6 pence per Ordinary Share) or higher, of the Issue Price.*

Ongoing Charges
Ongoing charges for the period ended 30 September 2021 have been calculated in accordance with the Association of Investment Companies (the "AIC") recommended methodology. The ongoing charges for the period ended 30 September 2021 were 0.96% (30 September 2020: 0.97%).

* The Issue Price being £1.00. This is a target only and not a profit forecast. There can be no assurance that this target will be met or that the Company pay any dividends at all. This target return should not be taken as an indication of the Company's expected or actual current or future results. The Company's actual return will depend upon a number of factors, including the number of Ordinary Shares outstanding and the Company's total expense ratio. Potential investors should decide for themselves whether or not the return is reasonable and achievable in deciding whether to invest in or retain or increase their investment in the Company. Further details on the Company's financial risk management can be found in note 16 of the Company's Annual Financial Statements for the year ended 31 March 2021, which can be found on the Company's website (www.twentyfourincomefund.com).

SUMMARY INFORMATION Continued

Shareholder Information

Northern Trust International Fund Administration Services (Guernsey) Limited (the "Administrator") is responsible for calculating the NAV per share of the Company. The unaudited NAV per ordinary redeemable 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.

Financial Highlights

	For the six month period ending 30.09.21	For the year ended 31.03.21	For the six month period ending 30.09.20
Total Net Assets	£579,141,878	£573,364,169	£550,226,766
Net Asset Value per share	113.89p	112.75p	108.2p
Share price	113.00p	108.00p	104.00p
Discount to Net Asset Value	-0.78%	-4.21%	-3.88%
Dividends declared in respect of the period/year	3.00p	6.41p	3.00p

As at 19 November 2021, the premium had moved to 0.72%. The estimated NAV per share and mid-market share price stood at 113.18p and 114.00p respectively.

CHAIRMAN'S STATEMENT

for the period from 1 April 2021 to 30 September 2021

I am pleased to present my report on the Company's progress for the six months ended 30 September 2021.

I would like to take the opportunity to welcome our two new Directors: John de Garis; and John Le Poidevin, to the Board.

The Company's shares have typically traded at a premium since launch; however, the market environment since the onset of COVID-19 pushed them to a discount which has largely persisted. The average discount was 2.44% during the period, and the Company ended the period at a discount of 0.78%.

If the shares return to trading at a premium, the Board is willing to continue to authorise the issuance of further shares as a premium management mechanism, while the Portfolio Manager can confirm that attractive investment opportunities are available in the market.

The NAV per share total return since inception to 30 September 2021 was 90.18% (including dividends paid). The NAV per share rose from 112.75 at the start of the period to 113.89, for a total return of 4.11% (including dividends paid). Meanwhile, the income component of investor returns remained strong and consistent; the Company paid two dividends of 1.91p and 1.5p per share to cover the pro-rata minimum return of 6p per share, with the former a final dividend for the previous period covering all excess returns in respect of the year. After the period ended, the Company declared a further dividend of 1.5p per share for distribution, which was paid at the end of October in line with its existing dividend policy.

The NAV performance of the Company was positive during the period, reflecting an investment approach that seeks high quality income with a strong credit bias. Fundamental performance of the asset pools and structures was strong, continuing to display the characteristics consistent with the ongoing economic recovery, low levels of unemployment and without any significant evident impact from the unwind of consumer and business support. Indeed, the resilience of pool performance to the ending of these government and central bank mechanisms has, thus far, outstripped our expectations.

It is particularly noteworthy that other markets have not enjoyed such consistent performance, and worth pointing out that the Company's lack of negative exposure to rate rises has materially benefited investors. Accordingly, speculation around the timing of Central Bank asset purchase cessation and base rate moves have roiled those markets with high duration exposures and those artificially supported by Central Bank aided purchases. Meanwhile, the Company will benefit from any future increase in the Bank of England rates, with markets currently pricing one increase before the end of 2021 and two further increases in the next 12 months.

I continue to believe that the Company's structure remains an appropriate way for investors to invest for reliable income and remain confident of the Company's ability to fulfil its objectives.

Trevor Ash
Chairman
29 November 2021

PORTFOLIO MANAGER'S REPORT

for the period from 1 April 2021 to 30 September 2021

In the six months to the end of September, the Portfolio Manager was able to deploy inflows into primary and secondary issues. Secondary market liquidity proved to be robust over the period despite a little volatility at certain points in wider markets. The demand for Asset Backed Securities ("ABS") was steady, after a very active pipeline in Q1 2021 primary issuance levelled off a little in April and May; which saw spreads steadily moving tighter month on month.

The majority of the trading volume in the Company was evenly split between the Residential Mortgage-Backed Securities ("RMBS") and Collateralised Loan Obligations ("CLO") market as the fund added some welcome diversification into primary RMBS deals from the UK, Spain, Netherlands, France and Ireland. Around 80% of this allocation was deployed into Mezzanine bonds. This figure would have been higher, but with very strong demand for this sector and new deals being multiple times oversubscribed, this was probably the most challenging asset allocation target to fulfil, although it has resulted in the largest spread movement and the strongest performance in the market year to date. The market also saw a pickup, paradoxically, in Auto ABS issuance across Europe together with many full capital stack Consumer loan deals. These also saw very high levels of investor demand and added some further geographical diversification to the Company.

Around 50% of overall trading volume was allocated to the CLO market split, between BB and B, taking the overall CLO exposure to 41%, which is also the strongest performing market in the Company year to date. The level of CLO issuance this year has been elevated, and the market is likely to set a new record of issuance in the 2.0 Global Financial Crisis era. The BB and single B spreads have also been fairly stable at around low 6% and low 9% yields, respectively, which is testament to the depth of the market in the face of high levels of supply, with the underlying pool performance being very strong in terms of loan defaults; contrary to some expectations at the onset of COVID-19 pandemic and subsequent government actions. However, as we approached the middle of Q3, some weakness was evident in the sector due to wider macro market volatility.

The Commercial Mortgage-Backed Securities ("CMBS") market also continued its resurgence, which started earlier in the year and seems likely to finish the year with just under €3bn of issuance. By nature, each deal tends to be unique compared to other ABS asset classes and having already reduced the positioning of the Company prior to COVID-19, the portfolio manager added 1% in a high conviction deal, taking the exposure to 3.5% by the end of the period.

Market Commentary

The second quarter of 2021 started strongly for risk assets, as wider markets stabilised after a weaker first quarter. Stronger economic data prevailed, reflected through employment and retail sales with uneventful central bank meetings followed by communications stating that higher inflation figures would be transitory. Markets remained fairly resilient despite increasing concerns over inflation and some surprising economic data from the US, including one of the biggest misses to the downside in Non-Farm payrolls, in living memory, where the forecast new job creation was 1 million, but the actual figure was 261,000. Concerns around labour shortages, wage inflation, pullbacks in central bank stimulus and taper tantrums prevailed while the Bank of England kept policy unchanged in May 2021, various officials acknowledged that strong growth could lead to an earlier than expected revision in interest rate expectations. Risk markets maintained their solid footing in June 2021 despite the Delta variant of COVID-19 seeing a resurgence in many areas. The Fed acknowledged that discussions on talking about tapering had happened, and dot plots were revised, showing a slight shift in rate hike expectations with markets now pricing in two rate hikes in the U.S. in 2023. The summer months remained fairly muted in risk assets as market participants continued to interpret mixed economic data culminating with the Jackson Hole summit at the end of August 2021. In the much-anticipated speech from Fed Chair Powell, he deviated little from the rhetoric of recent Federal Open Market Committee ("FOMC") statements and gave no further direction on the timing of a potential tapering of Fed purchases, but he did maintain that inflation would be transitory. In the UK, the Bank of England met early in the month and made no policy changes. However, the Monetary Policy Committee did signal they were considering when to implement tighter policy in the future.

PORTFOLIO MANAGER'S REPORT Continued
for the period from 1 April 2021 to 30 September 2021

Market Commentary (continued)
September 2021 was a weak month for broader risk-on assets generally, as inflation and tapering weighed heavily on sentiment, and the potential failure of Evergrande added to investor angst. Fears of market contagion grew as Evergrande edged closer to default, and the market grew concerned about the fallout from a messy default and the form of any potential intervention from the authorities. As was largely expected, the FOMC kept policy unchanged but did signal that tapering could begin very soon "if progress continues broadly as expected". The dot plots were updated to show that two more Fed members now expect a first rate hike in 2022, leaving the FOMC split down the middle. Equally, the Bank of England was also in the focus in the run-up to the end of the quarter. The Monetary Policy Committee kept policy unchanged but made some hawkish comments with regard to future possible rates increases.

As previously highlighted, the bond-buying stimulus by central banks supporting many parts of the fixed income market such as corporate investment grade bonds, high yield and covered bonds and US ABS did not extend to European ABS. As a consequence, the spread performance was muted in the ABS market as it lagged others in the latter quarters of last year. However, against this macro backdrop European ABS also saw robust performance since the beginning of the year and also over the current period as the market started to catch up with other sectors. With a strong supply-demand technical still in play, all ABS deals saw vigorous demand across all asset classes, with mezzanine bonds, in particular, seeing multiple levels of oversubscription for new issues as the sector continues to offer an attractive pickup. After a robust first quarter of primary issuance, April and May got off to a slightly quieter start, thereby further underpinning spreads with no supply indigestion, causing a tempering in the trajectory of spreads.

The Primary European ABS market saw a sustained higher pace of issuance throughout June and rounded off H1 2021 with a total supply of around €52bn, which is just below the post-Global Financial Crisis record seen in H1 2018 and resulted in many analysts increasing their year-end forecasts accordingly. Following steady primary supply through July 2021 and a typically quiet August 2021 summer lull, issuance bounced back strongly in September 2021, contributing to the busiest quarter of the year so far. Gross YTD issuance now stands at around €81bn, including €25bn of new issue CLOs. September 2021 itself saw €13bn of placed bonds with RMBS across Europe accounting for the largest sector, followed by CLOs, together with an increase in Auto and consumer deals.

Over the whole period, pricing execution remained generally strong, which set the tone for secondary markets too. The slight weakness in UK RMBS spreads at the end of Q1, due to elevated levels of supply firmly retraced with spread levels passing the tights of the year by the end of May 2021. Positive sentiment prevailed, and the UK market shrugged off concerns around inflation and volatility in wider markets, and any secondary supply in the form of bids wanted in competition ("BWIC") auctions saw good levels of engagement by both investors and bank trading desks. However, the resilience to wider market concerns started to wane into the end of Q3, which saw a slight weakening in secondary markets. CMBS and CLOs remain wider due to the more esoteric nature and underlying structural risks for the former and a steady supply of the latter. In general, however, spreads remain wider than similarly rated corporate bonds, which trade through their pre-COVID-19 levels.

Performance of the underlying European and UK asset pools has been robust throughout the period in both consumer and corporate-backed deals and generally in line with pre-COVID-19 levels. The various different support measures played a part in dampening volatility and maintaining confidence in ABS markets over the period, but it is worth noting, for example, in the bridge-to-let loan ("BTL") sector, after an initial uptake in payment holidays, these reversed very quickly and are now negligible across mortgage pools. Rising house prices this year and better than expected data so far on unemployment have supported the market fundamentals too, but it is likely there will be some increase in arrears over time as measures start to roll off. However, we do not envisage any material credit concerns for the ABS market as a result.

PORTFOLIO MANAGER'S REPORT Continued
for the period from 1 April 2021 to 30 September 2021

Market Outlook
Technicals in the ABS market are more balanced as we move into Q4, and we expect issuance to flirt with the highs seen over the most recent five years, almost €100bn. This sustained but manageable supply, coupled with periods of macro risk-off moves, is expected to preserve a spread premium by year end. Whilst inflation and slowing growth remains a broad concern for fixed income investors globally, closer to home, the Office for Budgetary Responsibility now expects UK unemployment to peak at 5.2% in 2022, a far cry from the Organisation for Economic Co-operation and Development's 9.7% tier 2 stress test outlined in 2020. This expectation largely reflects how we also expect other European labour markets will fare as they are seeing the tapering of their respective COVID-19 support schemes too. The fundamental performance of ABS pools have been assisted by these policies, so a move to a more normal level of support for consumers and corporates as economies reopen will likely see deterioration in loan performance on a longer-term-basis, but within our base case scenarios.

The Bank of England is expected to be the first of the G7 central banks to raise policy rates, with futures pricing in one hike by the end of 2021 and two by the end of 2022. The fund having exposure to 47% floating rate GBP denominated assets will see this passed through to coupons upon reset. Central to our view for the rest of the year, is to take advantage of a more balanced market to rotate to build longer-term income exposures; using the secondary market and using pockets of value in the primary markets. That said, we expect bank trading desks to have had a steady year and expect liquidity to fade in a typical year-end fashion. Management of liquidity in the short term is a focus as we expect a continued search for yield and shelter from rate volatility to drive a positive start to 2022 for European and UK ABS.

TwentyFour Asset Management LLP
29 November 2021

TOP TWENTY HOLDINGS
as at 30 September 2021

Security	Nominal/ Shares	Asset Backed Security Sector*	Fair Value £	Percentage of Net Asset Value
OPTIMUM THREE LTD '3 MEZ5' FRN 23/04/2023	21,200,000	RMBS	21,200,000	3.66
VSK HOLDINGS LTD VAR 31/7/2061	1,975,000	RMBS	20,371,418	3.52
TULPENHUIS 0.0% 18/04/2051	18,919,960	RMBS	15,245,917	2.63
TAURUS 2020-1 NL DAC 'NL1X E' FRN 20/02/2030	16,110,465	CMBS	13,808,687	2.38
EQTY. RELEASE FNDG. NO 5 '5 B' FRN 14/07/2050	14,550,000	RMBS	12,766,814	2.20
HABANERO LTD '6W B' VAR 5/4/2024	11,900,000	RMBS	11,900,000	2.05
SYON SECS. 2020-2 DAC '2 B' FRN 17/12/2027	10,442,695	RMBS	11,020,853	1.90
CHARLES STREET CONDUIT AST. B '1 C' FRN 08/12/2065	10,500,000	RMBS	10,464,300	1.81
SYON SECURITIES 19-1 B CLO FLT 19/07/2026	9,819,234	RMBS	9,982,199	1.72
VSK HLDGS. '1 C4-1' VAR 01/10/2058	1,250,000	RMBS	9,137,470	1.58
MAN GLG EURO CLO V DAC '5X E' FRN 15/12/2031	9,700,000	CLO	8,130,020	1.40
AURORUS 2020 BV '1 G' FRN 13/08/2046	8,300,000	Consumer ABS	7,383,810	1.27
CHARLES STREET CONDUIT AST. B '1 B' FRN 08/12/2065	6,500,000	RMBS	6,481,150	1.12
SYON SECS. 0.00% 27/02/2027	6,709,644	RMBS	6,460,180	1.12
E-CARAT 11 '11 E' FRN 18/05/2028	6,358,216	Auto Loans	6,365,752	1.10
AUTOFLORENCE 1 SRL '1 F' 7.00% 25/12/2042	7,032,497	Auto Loans	6,189,755	1.07
SYON SECS. 19-1 Z FRN 19/07/2026	6,109,669	RMBS	6,088,957	1.05
ARMADA EURO CLO II DAC '2X F' FRN 15/11/2031	7,000,000	CLO	5,788,881	1.00
DUTCH PROP. FIN. 2021-1 '1 D' FRN 28/07/2058	6,500,000	RMBS	5,741,686	0.99
CAPITAL BRIDGE FINANCE NO1 '1 MEZZ' FRN 08/11/2018	6,058,518	RMBS	5,604,129	0.97

The full portfolio listing as at 30 September 2021 can be obtained from the Administrator on request.

*** Definition of Terms**
'ABS' – Asset Backed Securities
'CLO' – Collateralised Loan Obligations
'CMBS' – Commercial Mortgage-Backed Securities
'RMBS'- Residential Mortgage-Backed Securities

BOARD MEMBERS

Biographical details of the Directors are as follows:

Trevor Ash – (Chairman)
Mr Ash is a resident of Guernsey and has over 30 years of investment experience. He is a Fellow of the Chartered Institute for Securities and Investment. He was formerly a managing director of Rothschild Asset Management (CI) Limited. Mr Ash retired as a director of NM Rothschild & Sons (CI) Limited, the banking arm of the Rothschild Group in the Channel Islands in 1999. Since retirement, he has acted as a director of a number of hedge funds, fund of hedge funds, venture capital, derivative and other offshore funds including several managed or advised by Insight, JP Morgan and Merrill Lynch. Mr Ash was appointed to the Board on 11 January 2013.

Ian Burns – (Non-executive Director, Senior Independent Director and Chairman of the Audit Committee)
Mr Burns is a resident of Guernsey and a fellow of the Institute of Chartered Accountants in England and Wales and a member of the Society of Trust and Estate Planners. He is a founder and Executive Director of Via Executive Limited, a specialist management consulting company and managing director of Regent Mercantile Holdings Limited, a privately owned investment company. Mr Burns is currently Chairman of SEED Innovations Limited (AIM) and a number of private investment funds. Mr Burns was appointed to the Board on 17 January 2013.

Richard Burwood – (Non-executive Director)
Mr Burwood is a resident of Guernsey with over 25 years' experience in banking and investment management. During 18 years with Citibank London, Mr Burwood spent 11 years as a fixed income portfolio manager spanning both banks/finance investments and Asset Backed Securities. Mr Burwood has lived in Guernsey since 2010, initially working as a portfolio manager for EFG Financial Products, managing the treasury department's ALCO Fixed Income portfolio. From 2011 to 2013, Mr Burwood worked as the Business and Investment Manager for Man Investments, Guernsey. In January 2014, Mr Burwood joined the board of RoundShield Fund, a Guernsey private equity fund, focused on European small to mid-cap opportunities. In August 2015, he became a Board Member of SME Credit Realisation Fund Limited, which provides investors access to a diversified pool of SME loans originated through Funding Circle's marketplaces in the UK, US and Europe. Mr Burwood also serves on the boards of Habrok, a hedge fund specialising in Indian equities, and EFG International Finance, a structured note issuance company based in Guernsey. Mr Burwood was appointed to the Board on 17 January 2013.

John de Garis (Non-executive Director)
Mr de Garis is a resident of Guernsey with over 30 years of experience in investment management. He is a Director and the 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.

Joanne Fintzen - (Non-executive 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 across asset-backed securities as well as hedge funds investing in various different strategies in addition to private equity and venture capital funds. Ms Fintzen was appointed to the Board on 7 January 2019.

BOARD MEMBERS Continued

John Le Poidevin (Non-executive Director)
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, including as audit committee chair, on the boards of a number of listed and private groups. Mr Le Poidevin is currently a non-executive director of International Public Partnerships, BH Macro Limited, and a number of other private companies and investment funds. Mr Le Poidevin was appointed to the Board on 9 July 2021.

STATEMENT OF PRINCIPAL RISKS AND UNCERTAINTIES

The Company's assets are mainly comprised of Asset Backed Securities carrying exposure to risks related to the underlying assets backing the security or the originator of the security. The Company's principal risks are therefore market or economic in nature.

The principal risks and uncertainties assessed by the Board relating to the Company were disclosed in the Annual Report and Audited Financial Statements for the year ended 31 March 2021. The principal risks disclosed can be divided into the various areas as follows:

- Market Risk
  Market risk is the risk associated with changes in market prices, including spreads, interest rates, economic uncertainty, changes in laws and political (national and international) circumstances.

  Under extreme market conditions the portfolio may not benefit from diversification.

- Liquidity Risk
  Investments made by the Company may be relatively illiquid and this may limit the ability of the Company to realise its investments and in turn pay dividends.

- Credit Risk
  The investment portfolio is comprised of Asset Backed Securities which expose the Company to credit risk, being the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company.

- 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 is exposed to foreign currency risk through its investment in predominately Euro denominated assets although mitigates this risk through hedging.

- 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 as much as possible.

- 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, Custodian and the Depositary amongst others.

- 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.

- Income Recognition Risk
  The Board considers income recognition to be a principal risk and uncertainty of the Company as 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 Asset Backed Securities which in turn impacts the calculation of interest income.

STATEMENT OF PRINCIPAL RISKS AND UNCERTAINTIES Continued

- Cyber Security Risks
  The Company is exposed to risk arising from a successful cyber-attack through its service providers.

- Coronavirus Risk (COVID-19)
  Coronavirus risk is the risk of business interruption caused by the COVID-19 pandemic, along with the potential negative impact it has on the valuation of investments.

- 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 portfolio has on the environment.

- Environmental, Social, and Governance ("ESG") Risk
  ESG factors are assessed for every transaction as part of the investment process. Specifically for ABS, for every transaction an ESG assessment is produced 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. CO2 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 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.

A detailed explanation of these can be found in note 17 of the Annual Report for the year ended 31 March 2021, which can be found on the Company's website (www.twentyfourincomefund.com). 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.

The Board's process of identifying and responding to emerging risks is disclosed in page 29 of the Annual Report for the year ended 31 March 2021.

Related Parties
Related party balances and transactions are disclosed in note 14 of these Unaudited Condensed Interim Financial Statements.

STATEMENT OF PRINCIPAL RISKS AND UNCERTAINTIES Continued

Going Concern

Under the 2018 UK Corporate Governance Code and applicable regulations, the Directors are required to satisfy themselves that it is reasonable to assume that the Company is a going concern and to identify any material uncertainties to the Company's ability to continue as a going concern for at least 12 months from the date of approving these Unaudited Condensed Interim Financial Statements.

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 Company'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.

The Company's articles provide for a realisation opportunity under which Shareholders may elect to realise some or all of their holdings of Ordinary Shares at each third Annual General Meeting, with the next realisation opportunity being in September 2022.

Although there remains uncertainty concerning the outcome of the Realisation Opportunity, having assessed these uncertainties, the Directors consider it appropriate to adopt the going concern basis of accounting in preparing the Interim Report and Unaudited Condensed Interim Financial Statements.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

We confirm that to the best of our knowledge:

- 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.

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

  (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 2021 to 30 September 2021 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

  (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 2021 to 30 September 2021 and that have materially affected the financial position or performance of the Company during that period as included in note 14.

By order of the Board

Trevor Ash
Chairman
29 November 2021

Ian Burns
Director

INDEPENDENT REVIEW REPORT

TO TWENTYFOUR INCOME FUND LIMITED

Report on the unaudited condensed interim financial statements

Our conclusion

We have reviewed TwentyFour Income Fund Limited's unaudited condensed interim financial statements (the "interim financial statements") in the Interim Management Report and Unaudited Condensed Interim Financial Statements of TwentyFour Income Fund Limited for the 6-month period ended 30 September 2021. Based on our review, nothing has come to our attention that causes us to believe that the interim financial statements are not prepared, in all material respects, in accordance with International Accounting Standard 34, 'Interim Financial Reporting', and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority.

What we have reviewed

The interim financial statements comprise:

- the condensed statement of financial position as at 30 September 2021;
- the condensed statement of comprehensive income for the period then ended;
- the condensed statement of cash flows for the period then ended;
- the condensed statement of changes in equity for the period then ended; and
- the explanatory notes to the interim financial statements.

The interim financial statements included in the Interim Management Report and Unaudited Condensed Interim Financial Statements have been prepared in accordance with International Accounting Standard 34, 'Interim Financial Reporting', and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority.

As disclosed in note 2 to the interim financial statements, the financial reporting framework that has been applied in the preparation of the full annual financial statements of the Company is The Companies (Guernsey) Law, 2008 and International Financial Reporting Standards (IFRSs).

Responsibilities for the interim financial statements and the review

Our responsibilities and those of the directors

The Interim Management Report and Unaudited Condensed Interim Financial Statements, including the interim financial statements, is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the Interim Management Report and Unaudited Condensed Interim Financial Statements in accordance with International Accounting Standard 34, 'Interim Financial Reporting', and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority.

Our responsibility is to express a conclusion on the interim financial statements in the Interim Management Report and Unaudited Condensed Interim Financial Statements based on our review. This report, including the conclusion, has been prepared for and only for the Company for the purpose of complying with the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority and for no other purpose. We do not, in giving this conclusion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

INDEPENDENT REVIEW REPORT continued

What a review of interim financial statements involves

We conducted our review in accordance with International Standard on Review Engagements 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the International Auditing and Assurance Standards Board. 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.

A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing 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.

We have read the other information contained in the Interim Management Report and Unaudited Condensed Interim Financial Statements and considered whether it contains any apparent misstatements or material inconsistencies with the information in the interim financial statements.

PricewaterhouseCoopers CI LLP
Chartered Accountants
Guernsey, Channel Islands
29 November 2021

(a) The maintenance and integrity of the TwentyFour Income Fund Limited website is the responsibility of the directors; the work carried out by the auditor does not involve consideration of these matters and, accordingly, the auditor accepts no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

(b) Legislation in Guernsey governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

CONDENSED STATEMENT OF COMPREHENSIVE INCOME

for the period from 1 April 2021 to 30 September 2021

	Note	For the period from 01.04.21 to 30.09.21 £ (Unaudited)	For the period from 01.04.20 to 30.09.20 £ (Unaudited)
Income			
Interest income on financial assets at fair value through profit and loss		21,982,991	18,128,568
Net foreign currency losses	7	(1,838,120)	(6,331,464)
Net gains on financial assets at fair value through profit or loss	8	5,709,383	79,316,762
Total income		25,854,254	91,113,866
Expenses			
Portfolio management fees	14	(2,158,716)	(1,925,622)
Directors' fees	14	(89,468)	(73,750)
Administration and secretarial fees	15	(142,707)	(130,275)
Audit fees		(36,208)	(37,400)
Custody fees	15	(28,783)	(25,675)
Broker fees		(25,299)	(25,482)
AIFM management fees	15	(101,390)	(92,066)
Depositary fees	15	(39,739)	(35,854)
Legal and professional fees		(31,624)	(18,654)
Listing fees		(18,082)	(48,661)
Registration fees		(14,886)	(18,401)
Other expenses		(49,288)	(73,879)
Total expenses		(2,736,190)	(2,505,719)
Total comprehensive income for the period		23,118,064	88,608,147
Earnings per Ordinary Redeemable Share - Basic & Diluted	3	0.0455	0.1744

All items in the above statement derive from continuing operations.

The notes on pages 23 to 36 form an integral part of these Unaudited Condensed Interim Financial Statements.

CONDENSED STATEMENT OF FINANCIAL POSITION

as at 30 September 2021

	Note	30.09.2021 £ (Unaudited)	31.03.2021 £ (Audited)
Assets			
Current assets			
Financial assets at fair value through profit and loss			
- Investments	8	590,637,052	586,853,917
- Derivative assets: Forward currency contracts	17	-	1,591,666
Amounts due from broker		7,579,363	-
Other receivables	9	3,881,523	3,501,933
Cash and cash equivalents		8,285,233	11,515,643
Total assets		610,383,171	603,463,159
Liabilities			
Current liabilities			
Financial liabilities at fair value through profit and loss			
- Derivative liabilities: Forward currency contracts	17	2,041,691	1,465
Amounts payable under repurchase agreements	11	25,329,306	27,234,524
Amounts due to broker		2,292,802	1,635,556
Other payables	10	1,577,494	1,227,445
Total liabilities		31,241,293	30,098,990
Net assets		579,141,878	573,364,169
Equity			
Share capital account	12	533,945,321	533,945,321
Retained earnings		45,196,557	39,418,848
Total equity		579,141,878	573,364,169
Ordinary Redeemable Shares in issue	12	508,514,809	508,514,809
Net Asset Value per Ordinary Redeemable Share (pence)	5	113.89	112.75

The Unaudited Condensed Interim Financial Statements on pages 19 to 36 were approved by the Board of Directors on 29 November 2021 and signed on its behalf by:

Trevor Ash
Chairman

Ian Burns
Director

The notes on pages 23 to 36 form an integral part of these Unaudited Condensed Interim Financial Statements.

CONDENSED STATEMENT OF CHANGES IN EQUITY
for the period from 1 April 2021 to 30 September 2021

	Note	Share capital account £	Retained earnings £	Total £
Balances at 1 April 2021		533,945,321	39,418,848	573,364,169
Dividends paid		-	(17,340,355)	(17,340,355)
Total comprehensive income for the period		-	23,118,064	23,118,064
Balances at 30 September 2021 (Unaudited)		533,945,321	45,196,557	579,141,878

	Note	Share capital account £	Retained earnings £	Total £
Balances at 1 April 2020		530,491,915	(55,122,059)	475,369,856
Issue of shares	12	3,506,390	-	3,506,390
Share issue costs	12	(40,323)	-	(40,323)
Dividends paid		-	(17,217,304)	(17,217,304)
Income equalisation on new issues	4	(12,661)	12,661	-
Total comprehensive income for the period		-	88,608,147	88,608,147
Balances at 30 September 2020 (Unaudited)		533,945,321	16,281,445	550,226,766

The notes on pages 23 to 36 form an integral part of these Unaudited Condensed Interim Financial Statements.

CONDENSED STATEMENT OF CASH FLOWS

for the period from 1 April 2021 to 30 September 2021

	Note	For the period from 01.04.21 to 30.09.21 £ (Unaudited)	For the period from 01.04.20 to 30.09.20 £ (Unaudited)
Cash flows from operating activities			
Total comprehensive income for the period		23,118,064	88,608,147
Adjustments for:			
Net gains on investments	8	(5,709,383)	(79,316,762)
Amortisation adjustment under effective interest rate method	8	(4,376,031)	(3,318,968)
Unrealised losses on forward currency contracts	7	3,631,893	18,846,166
Exchange (gains)/losses on cash and cash equivalents		(18,019)	74,930
(Increase)/decrease in other receivables		(379,590)	60,574
Increase in other payables		350,049	131,415
Purchase of investments		(93,243,579)	(97,728,834)
Sale of investments/principal repayments		92,623,740	92,127,083
Net cash generated from operating activities		15,997,144	19,483,751
Cash flows from financing activities			
Proceeds from issue of Ordinary Redeemable Shares		-	3,506,390
Share issue costs		-	(40,323)
Dividend paid		(17,340,355)	(17,217,304)
(Decrease)/increase in amounts payable under repurchase agreements		(1,905,218)	14,419,361
Net cash (outflow)/inflow from financing activities		(19,245,573)	668,124
(Decrease)/increase in cash and cash equivalents		(3,248,429)	20,151,875
Cash and cash equivalents at beginning of the period		11,515,643	1,409,267
Exchange gains/(losses) on cash and cash equivalents		18,019	(74,930)
Cash and cash equivalents at end of the period		8,285,233	21,486,212

The notes on pages 23 to 36 form an integral part of these Unaudited Condensed Interim Financial Statements.

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS
for the period from 1 April 2021 to 30 September 2021

1. General Information

TwentyFour Income Fund Limited (the "Company") was incorporated with limited liability in Guernsey, as a closed-ended investment company on 11 January 2013. The Company's Shares were listed with a Premium Listing 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.

The Company's investment objective and policy is set out in the Summary Information on pages 3 to 5.

The Portfolio Manager of the Company is TwentyFour Asset Management LLP (the "Portfolio Manager").

2. Principal Accounting Policies

a) Statement of Compliance

The Unaudited Condensed Interim Financial Statements for the period 1 April 2021 to 30 September 2021 have been prepared on a going concern basis in accordance with IAS 34 "Interim Financial Reporting", the Disclosure Guidance and Transparency Rules Sourcebook of the United Kingdom's Financial Conduct Authority ("FCA") and applicable legal and regulatory requirements.

The Unaudited Condensed Interim Financial Statements should be read in conjunction with the annual audited financial statements for the year ended 31 March 2021, which were prepared in accordance with International Financial Reporting Standards ("IFRS") and were in compliance with The Companies (Guernsey) Law, 2008 and which received an unqualified Auditor's report.

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.

c) Significant Judgements and Estimates

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

d) Standards, Amendments and Interpretations Effective during the Period

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:

- Interest Rate Benchmark Reform – Phase 2 – Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16.

The Directors anticipate that the adoption of Interest Rate Benchmark Reform – Phase 2, effective, does not have a material impact on the financial statements of the Company.

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS Continued

for the period from 1 April 2021 to 30 September 2021

2. Principal Accounting Policies (continued)

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

At the reporting date of these Financial Statements, the following standards, interpretations and amendments, which have not been applied in these Financial Statements, were in issue but not yet effective:

- IFRS 17 Insurance Contracts (Effective 1 January 2023)
- Definition of Accounting Estimates (Amendments to IAS 8) (Effective 1 January 2023)
- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) (Effective 1 January 2023)

The Directors anticipate that the adoption of the above standards, effective in future periods, will not have a material impact on the financial statements of the Company.

3. Earnings per Ordinary Redeemable Share - Basic & Diluted

The earnings per Ordinary Redeemable Share - Basic and Diluted has been calculated based on the weighted average number of Ordinary Redeemable Shares of 508,514,809 (30 September 2020: 508,083,661) and a net gain of £23,118,064 (30 September 2020 : net gain of £88,608,147).

4. Income Equalisation on New Issues

In order to ensure there are no dilutive effects on earnings per share for current Shareholders when issuing new 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 £Nil (30 September 2020: £12,661).

5. Net Asset Value per Ordinary Redeemable Share

The net asset value of each Share of £1.14 (31 March 2021: £1.13) is determined by dividing the net assets of the Company attributed to the Shares of £579,141,878 (31 March 2021: £550,226,766) by the number of Shares in issue at 30 September 2021 of 508,514,809 (31 March 2021: 508,514,809).

6. 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 £1,200 (2020: £1,200).

7. Net Foreign Currency Losses

	For the period from 01.04.21 to 30.09.21	For the period from 01.04.20 to 30.09.20
	£	£
Movement on unrealised loss on forward currency contracts	(3,631,893)	(18,846,166)
Realised gain on foreign currency contracts	1,708,856	12,630,371
Unrealised foreign currency loss on receivables/payables	(13,097)	-
Unrealised foreign currency exchange gain/(loss) on interest receivable	98,014	(115,669)
	(1,838,120)	(6,331,464)

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS Continued

for the period from 1 April 2021 to 30 September 2021

8. Investments

	For the period from 01.04.21 to 30.09.21	For the year from 01.04.20 to 31.03.21
Financial assets at fair value through profit or loss:	£	£
Unlisted Investments:		
Opening book cost	588,285,142	580,142,186
Purchases at cost	93,900,824	195,132,184
Proceeds on sale/principal repayment	(100,203,103)	(175,724,172)
Amortisation adjustment under effective interest rate method	4,376,031	7,167,468
Realised gains on sale/principal repayment	7,771,336	26,823,017
Realised losses on sale/principal repayment	(7,274,578)	(45,255,541)
Closing book cost	586,855,652	588,285,142
Unrealised gains on investments	14,578,274	11,562,713
Unrealised losses on investments	(10,796,874)	(12,993,938)
Fair value	590,637,052	586,853,917

	For the period from 01.04.21 to 30.09.21	For the period from 01.04.20 to 30.09.20
	£	£
Realised gains on sales/principal repayment	7,771,336	8,142,811
Realised losses on sales/principal repayment	(7,274,578)	(15,246,370)
Movement in unrealised gains	3,015,561	13,794,179
Movement in unrealised losses	2,197,064	72,626,142
Net gain on financial assets at fair value through profit or loss	5,709,383	79,316,762

9. Other Receivables

	As at 30.09.21	As at 31.03.21
	£	£
Coupon interest receivable	3,789,885	3,420,226
Prepaid expenses	91,638	81,707
	3,881,523	3,501,933

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS Continued
for the period from 1 April 2021 to 30 September 2021

10. Other Payables

	As at 30.09.21 £	As at 31.03.21 £
Portfolio management fees payable	1,295,672	895,035
Custody fees payable	4,005	3,923
Administration and secretarial fees payable	71,371	138,326
Audit fees payable	89,969	70,262
AIFM management fees payable	46,466	45,510
Depositary fees payable	9,374	9,975
General expenses payable	60,637	64,414
	1,577,494	1,227,445

11. Amounts payable under repurchase agreements

Following the publication of the latest prospectus on 12 April 2019, the Company, as part of its investment strategy, is now authorised to enter into repurchase agreements. A repurchase agreement (Repo) is a short-term loan where both parties agree to the sale and future repurchase of assets within a specified contract period. 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.

Finance costs on repurchase agreements, netted off against interest income in the Condensed Statement of Comprehensive Income, amounted to £78,674. As at 30 September 2021, finance cost liabilities on open repurchase agreements amounted to £23,257.

At the end of the period, the Company had 5 securities on repo, which consisted of 3 investment grade RMBS and 2 investment grade auto loans. The total exposure was -4.37% of the Company's NAV. The contracts were across two repo counterparties, and were all rolling agreements with a maturity between 3 and 6 months.

12. Share Capital

Authorised Share Capital

Unlimited number of Ordinary Redeemable Shares at no par value.

Issued Share Capital

Ordinary Redeemable Shares	As at 30.09.21 £	As at 31.03.21 £
Share Capital at the beginning of the period/year	533,945,321	530,491,915
Issued Share Capital	-	3,506,390
Share issue costs	-	(40,323)
Income equalisation on new issues	-	(12,661)
Total Share Capital at the end of the period/year	533,945,321	533,945,321

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS Continued

for the period from 1 April 2021 to 30 September 2021

12. Share Capital (continued)

Issued Share Capital (continued)

	As at 30.09.21 Shares	As at 31.03.21 Shares
Ordinary Redeemable Shares		
Shares at the beginning of the period/year	508,514,809	504,714,809
Issue of Shares	-	3,800,000
Total Shares in issue at the end of the period/year	508,514,809	508,514,809

	As at 30.09.21 £	As at 31.03.21 £
Treasury Shares		
Treasury Share capital at the beginning of the period/year	43,083,300	43,083,300
Total Treasury Share capital at the end of the period/year	43,083,300	43,083,300

	As at 30.09.21 Shares	As at 31.03.21 Shares
Treasury Shares		
Treasury Shares at the beginning of the period/year	39,000,000	39,000,000
Total Shares at the end of the period/year	39,000,000	39,000,000

The Share Capital of the Company consists of an unlimited number of Shares with or without par value which, upon issue, the Directors may designate as: Ordinary Redeemable Shares; Realisation Shares or such other class as the Board shall determine and denominated in such currencies as shall be determined at the discretion of the Board.

As at 30 September 2021, one share class has been issued, being the Ordinary Redeemable Shares of the Company.

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS Continued

for the period from 1 April 2021 to 30 September 2021

12. Share Capital (continued)

The Ordinary Redeemable Shares carry the following rights:

a) The Ordinary Redeemable Shares carry the right to receive all income of the Company attributable to the Ordinary Redeemable Shares.

b) 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.

c) 56 days before the annual general meeting date of the Company in each third year (the "Reorganisation Date"), the Shareholders are entitled to serve a written notice (a "Realisation Election") requesting that all or a part of the Ordinary Redeemable Shares held by them be redesignated to Realisation Shares, subject to the aggregate NAV of the continuing Ordinary Redeemable Shares on the last business day before the Reorganisation Date being not less than £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 Redeemable Shares on the last business day before the Reorganisation Date is less than £100 million, the Realisation 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 next realisation opportunity is due to occur at the end of the next three year term, at the date of the AGM in September 2022.

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

On 24 January 2017, the Company issued and purchased 39,000,000 Ordinary Shares of £0.01 at a price of 110.47p, to be held in treasury. The total amount paid to purchase these shares was £43,083,300 and has been deducted from the Shareholders' equity. The Company has the right to re-issue these shares at a later date. All shares issued were fully paid.

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

13. Analysis of Financial Assets and Liabilities by Measurement Basis

	Assets at fair value through profit and loss £	Amortised cost £	Total £
30 September 2021			
Financial Assets as per Statement of Financial Position			
Financial assets at fair value through profit or loss:			
- Investments	590,637,052	-	590,637,052
Amounts due from broker	-	7,579,363	7,579,363
Other receivables (excluding prepayments)	-	3,789,885	3,789,885
Cash and cash equivalents	-	8,285,233	8,285,233
	590,637,052	19,654,481	610,291,533

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS Continued

for the period from 1 April 2021 to 30 September 2021

13. Analysis of Financial Assets and Liabilities by Measurement Basis (continued)

	Liabilities at fair value through profit and loss £	Amortised cost £	Total £
Financial Liabilities as per Statement of Financial Position			
Financial liabilities at fair value through profit or loss:			
- Derivative liabilities: Forward currency contracts	2,041,691	-	2,041,691
Amounts payable under repurchase agreements	-	25,329,306	25,329,306
Amounts due to brokers	-	2,292,802	2,292,802
Other payables	-	1,577,494	1,577,494
	2,041,691	29,199,602	31,241,293

	Assets at fair value through profit and loss £	Amortised cost £	Total £
31 March 2021			
Financial Assets as per Statement of Financial Position			
Financial assets at fair value through profit or loss:			
- Investments	586,853,917	-	586,853,917
- Derivative assets: Forward currency contracts	1,591,666	-	1,591,666
Other receivables (excluding prepayments)	-	3,420,226	3,420,226
Cash and cash equivalents	-	11,515,643	11,515,643
	588,445,583	14,935,869	603,381,452

	Liabilities at fair value through profit and loss £	Amortised cost £	Total £
Financial Liabilities as per Statement of Financial Position			
Financial liabilities at fair value through profit or loss:			
- Derivative liabilities: Forward currency contracts	1,465	-	1,465
Amounts payable under repurchase agreements	-	27,234,524	27,234,524
Amounts due to brokers	-	1,635,556	1,635,556
Other payables	-	1,227,445	1,227,445
	1,465	30,097,525	30,098,990

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS Continued

for the period from 1 April 2021 to 30 September 2021

14. Related Parties

a) Directors' Remuneration & Expenses

The Directors of the Company are remunerated for their services at such a rate as the Directors determine. The aggregate fees of the Directors will not exceed £225,000 per annum.

The annual fees are £40,000 for the Chairman, £37,500 for Chairman of the Audit Committee, and £35,000 for all other Directors.

During the period ended 30 September 2021, Directors fees of £89,468 (30 September 2020: £73,750) were charged to the Company, of which £Nil (31 March 2021: £Nil) remained payable at the end of the period.

b) Shares Held by Related Parties

As at 30 September 2021, Directors of the Company held the following shares beneficially:

	Number of Shares 30.09.21	**Number of Shares 31.03.21**
Trevor Ash	108,734	58,734
Ian Burns	29,242	29,242
Richard Burwood	22,476	22,476
John de Garis	-	N/A
Joanne Fintzen	17,476	17,476
John Le Poidevin	-	N/A

On 14 April 2021, Trevor Ash purchased 50,000 Ordinary Redeemable Shares at a price of 109.892 pence per share.

As at 30 September 2021, the Portfolio Manager held Nil Shares (31 March 2021: Nil Shares) and partners and employees of the Portfolio Manager held 4,976,468 Shares (31 March 2021: 3,076,407 Shares), which is 0.98% (31 March 2021: 0.60%) of the Issued Share Capital.

c) Portfolio Manager

The portfolio management fee is payable to the Portfolio Manager, TwentyFour Asset Management LLP, 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 £2,158,716 (30 September 2020: £1,925,622) of which £1,295,672 (31 March 2021: £895,035) is due and payable at the period end. The Portfolio Management Agreement dated 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.

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 £Nil (30 September 2020: £5,260) in commission.

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS Continued

for the period from 1 April 2021 to 30 September 2021

15. Material Agreements

a) Alternative Investment Fund Manager

The Company's Alternative Investment Fund Manager (the "AIFM") is Maitland Institutional Services Limited. In consideration for the services provided by the AIFM under the AIFM Agreement, the AIFM is entitled to receive from the Company a minimum fee of £20,000 per annum and fees payable quarterly in arrears at a rate of 0.07% of the NAV of the Company below £50 million, 0.05% on Net Assets between £50 million and £100 million and 0.03% on Net Assets in excess of £100 million. During the period ended 30 September 2021, AIFM fees of £101,390 (30 September 2020: £92,066) were charged to the Company, of which £46,466 (31 March 2021: £45,510) remained payable at the end of the period.

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 £100 million, 0.05% on Net Assets between £100 million and £200 million and 0.04% on Net Assets in excess of £200 million as at the last business day of the month subject to a minimum £75,000 each year. In addition, an annual fee of £25,000 is charged for corporate governance and company secretarial services. Total administration and secretarial fees for the period amounted to £142,707 (30 September 2021: £130,275) of which £71,371 (31 March 2021: £138,326) is due and payable at end of the period.

c) Depositary

Depositary fees are payable to Northern Trust (Guernsey) Limited, monthly in arrears, at a rate of 0.0175% of the Net Asset Value of the Company up to £100 million, 0.0150% on Net Assets between £100 million and £200 million and 0.0125% on Net Assets in excess of £200 million as at the last business day of the month subject to a minimum £25,000 each period. Total depositary fees and charges for the period amounted to £39,739, (30 September 2020: £35,854) of which £9,374 (31 March 2021: £9,975) is due and payable at the period end.

The Depositary is also entitled to a Global Custody fee of a minimum of £8,500 per annum plus transaction fees. Total Global Custody fees and charges for the period amounted to £28,783 (30 September 2020: £25,675) of which £4,005 (31 March 2021: £3,923) is due and payable at the period end.

16. Financial Risk Management

The Company's activities expose it to a variety of financial risks: market risk (including price risk, interest rate risk, foreign currency risk and reinvestment risk), credit risk, liquidity risk, and capital risk.

These Unaudited Condensed Interim Financial Statements do not include the financial risk management information and disclosures required in the Annual Financial Statements; they should be read in conjunction with the Company's Annual Financial Statements for the period ended 31 March 2021.

17. Fair Value Measurement

All assets and liabilities are carried at fair value or at carrying value which equates to fair value.

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS Continued
for the period from 1 April 2021 to 30 September 2021

17. Fair Value Measurement (continued)

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:

(i) Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
(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).
(iii) Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

The following tables analyse within the fair value hierarchy the Company's financial assets and liabilities (by class) measured at fair value for the period ended 30 September 2021 and year ended 31 March 2021.

	Level 1	Level 2	Level 3	Total
	£	£	£	£
Assets				
Financial assets at fair value through profit or loss:				
Asset Backed Securities:				
Auto Loans	-	30,975,443	-	30,975,443
CLO	-	227,717,454	-	227,717,454
CMBS	-	19,552,203	-	19,552,203
Consumer ABS	-	17,182,848	-	17,182,848
CRE ABS	-	5,935,660	-	5,935,660
RMBS	-	191,200,554	93,189,550	284,390,104
Student Loans	-	4,883,340	-	4,883,340
Total assets as at 30 September 2021	-	497,447,502	93,189,550	590,637,052
Liabilities				
Financial liabilities at fair value through profit or loss:				
Forward currency contracts	-	2,041,691	-	2,041,691
Total liabilities as at 30 September 2021	-	2,041,691	-	2,041,691

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS Continued

for the period from 1 April 2021 to 30 September 2021

17. Fair Value Measurement (continued)

	Level 1	Level 2	Level 3	Total
	£	£	£	£
Assets				
Financial assets at fair value through profit or loss:				
Asset Backed Securities:				
Auto Loans	-	32,644,755	-	32,644,755
CLO	-	203,783,174	-	203,783,174
CMBS	-	22,591,565	-	22,591,565
Consumer ABS	-	25,368,516	-	25,368,516
CRE ABS	-	6,857,076	-	6,857,076
RMBS	-	205,504,939	85,525,761	291,030,700
Student Loans	-	4,578,131	-	4,578,131
Forward currency contracts	-	1,591,666	-	1,591,666
Total assets as at 31 March 2021	-	502,919,822	85,525,761	588,445,583
Liabilities				
Financial liabilities at fair value through profit or loss:				
Forward currency contracts	-	1,465	-	1,465
Total liabilities as at 31 March 2021	-	1,465	-	1,465

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

Asset Backed Securities which are not traded or dealt on organised markets or exchanges are classified in Level 2 or Level 3. Asset Backed securities priced at cost are classified as Level 3. Asset Backed securities 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. Asset Backed Securities priced at an average of two vendors' 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 in Level 2. Any broker quote that is over 20 days old is considered stale and is classified as Level 3.

During the period, there was one transfer from Level 2 to Level 3. There were no other transfers between levels.

Due to the inputs into the valuation of Asset Backed Securities classified as Level 3 not being available or visible to the Company, no meaningful sensitivity on inputs can be performed.

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS Continued

for the period from 1 April 2021 to 30 September 2021

17. Fair Value Measurement (continued)

The following tables present the movement in Level 3 instruments for the period ended 30 September 2021 and year ended 31 March 2021 by class of financial instrument.

	Opening balance	Net sales	Net realised loss for the year included in the Statement of Comprehensive Income for Level 3 Investments held at 30 September 2021	Net unrealised gain for the year included in the Statement of Comprehensive Income for Level 3 Investments held at 30 September 2021	Transfer into Level 3	Transfer out Level 3	Closing balance
	£	£	£	£	£	£	£
RMBS	85,525,761	67,838	(2,890,351)	2,556,137	7,930,165	-	93,189,550
Total at 30 September 2021	85,525,761	67,838	(2,890,351)	2,556,137	7,930,165	-	93,189,550

	Opening balance	Net purchases	Net realised loss for the year included in the Statement of Comprehensive Income for Level 3 Investments held at 31 March 2021	Net unrealised gain for the year included in the Statement of Comprehensive Income for Level 3 Investments held at 31 March 2021	Transfer into Level 3	Transfer out Level 3	Closing balance
	£	£	£	£	£	£	£
RMBS	99,687,304	5,661,666	(7,772,892)	1,180,453	-	(13,230,770)	85,525,761
Total at 31 March 2021	99,687,304	5,661,666	(7,772,892)	1,180,453	-	(13,230,770)	85,525,761

The tables on the following page analyse within the fair value hierarchy the Company's assets and liabilities not measured at fair value at 30 September 2021 and 31 March 2021 but for which fair value is disclosed.

The assets and liabilities included in the below table are carried at amortised cost; their carrying values are a reasonable approximation of fair value.

Cash and cash equivalents include cash in hand and deposits held with banks.

Amounts due to brokers and other payables represent the contractual amounts and obligations due by the Company for settlement of trades and expenses. Amounts due from brokers and other receivables represent the contractual amounts and rights due to the Company for settlement of trades and income.

	Level 1	Level 2	Level 3	Total
	£	£	£	£
Assets				
Cash and cash equivalents	8,285,233	-	-	8,285,233
Amounts due from broker	-	7,579,363	-	7,579,363
Other receivables	-	3,789,885	-	3,789,885
Total assets as at 30 September 2021	**8,285,233**	**11,369,248**	**-**	**19,654,481**
Liabilities				
Amounts due to broker	-	2,292,802		2,292,802
Other payables	-	1,577,494	-	1,577,494
Total liabilities as at 30 September 2021	**-**	**3,870,296**	**-**	**3,870,296**

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS Continued

for the period from 1 April 2021 to 30 September 2021

17. Fair Value Measurement (continued)

	Level 1	Level 2	Level 3	Total
	£	£	£	£
Assets				
Cash and cash equivalents	11,515,643	-	-	11,515,643
Other receivables	-	3,420,226	-	3,420,226
Total assets as at 31 March 2021	**11,515,643**	**3,420,226**	**-**	**14,935,869**
Liabilities				
Amounts due to brokers	-	1,635,556	-	1,635,556
Other payables	-	1,227,445	-	1,227,445
Total liabilities as at 31 March 2021	**-**	**2,863,001**	**-**	**2,863,001**

18. Segmental Reporting

The Board is responsible for reviewing the Company's entire portfolio and considers the business to have a single operating segment. The Board's asset allocation decisions are based on a single, integrated investment strategy, and the Company's performance is evaluated on an overall basis.

The Company invests in a diversified portfolio of Asset Backed Securities. The fair value of the major financial instruments held by the Company and the equivalent percentages of the total value of the Company, are reported in the Top Twenty Holdings on page 10.

Revenue earned is reported separately on the face of the Condensed Statement of Comprehensive Income as investment income being interest income received from Asset Backed Securities.

19. Dividend Policy

The Board intends to distribute an amount at least equal to the value of the Company's income available for distribution arising each quarter to the holders of Ordinary Redeemable Shares. For these purposes, the Company's income will include the interest payable by the Asset Backed Securities 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 will pay any dividends at all.

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 LIBOR differentials between each foreign currency pair, less (d) total expenditure for the period.

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.

The Board expects that dividends will constitute the principal element of the return to the holders of Ordinary Redeemable Shares.

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS Continued

for the period from 1 April 2021 to 30 September 2021

19. Dividend Policy (continued)

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 company's assets is greater than its liabilities. The Board confirms that the Company passed the net asset and solvency test for each dividend paid.

The Company declared the following dividends in respect of distributable profit for the period ended 30 September 2021:

Period to	Dividend rate per Share (£)	Net dividend payable (£)	Ex-dividend date	Record Date	Pay date
30 June 2021	0.0150	7,627,722	15 July 2021	16 July 2021	30 July 2021
30 September 2021	0.0150	7,627,722	21 October 2021	22 October 2021	5 November 2021

20. Ultimate Controlling Party

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

21. Significant Events during the Period

Throughout the period, the COVID-19 outbreak adversely impacted global commercial activities. The fluidity of the situation precludes any prediction, however, while it is foreseen that the pandemic will continue to have an adverse impact on the global economic situation, the market's focus is now on the reopening of global economies, the potential inflationary impact of, amongst other factors, supply chain disruption, ability to source labour, and stimulus packages, and the potential for a policy error in normalising monetary conditions. The Directors continue to monitor the situation and its impact on the Company.

During the period asset managers within the UK and Europe have seen a significantly increased pressure from stakeholders to assess and disclose the impact of climate change on investment portfolios. The Portfolio Manager has a formalised approach to this risk integrated within a robust ESG framework which is a major factor in the Portfolio Manager's investment analysis. The Board will evaluate what aspects that the Company will consider reporting, based on the regulatory requirements of the Company.

22. Subsequent Events

Unaudited Condensed Interim Financial Statements were approved for issuance by the Board on 29 November 2021. Subsequent events have been evaluated until this date.

As at 19 November 2021, the published NAV per Ordinary Share for the Company was 113.18p. This represents a decrease of 0.62% (NAV as at 30 September 2021: 113.89p).