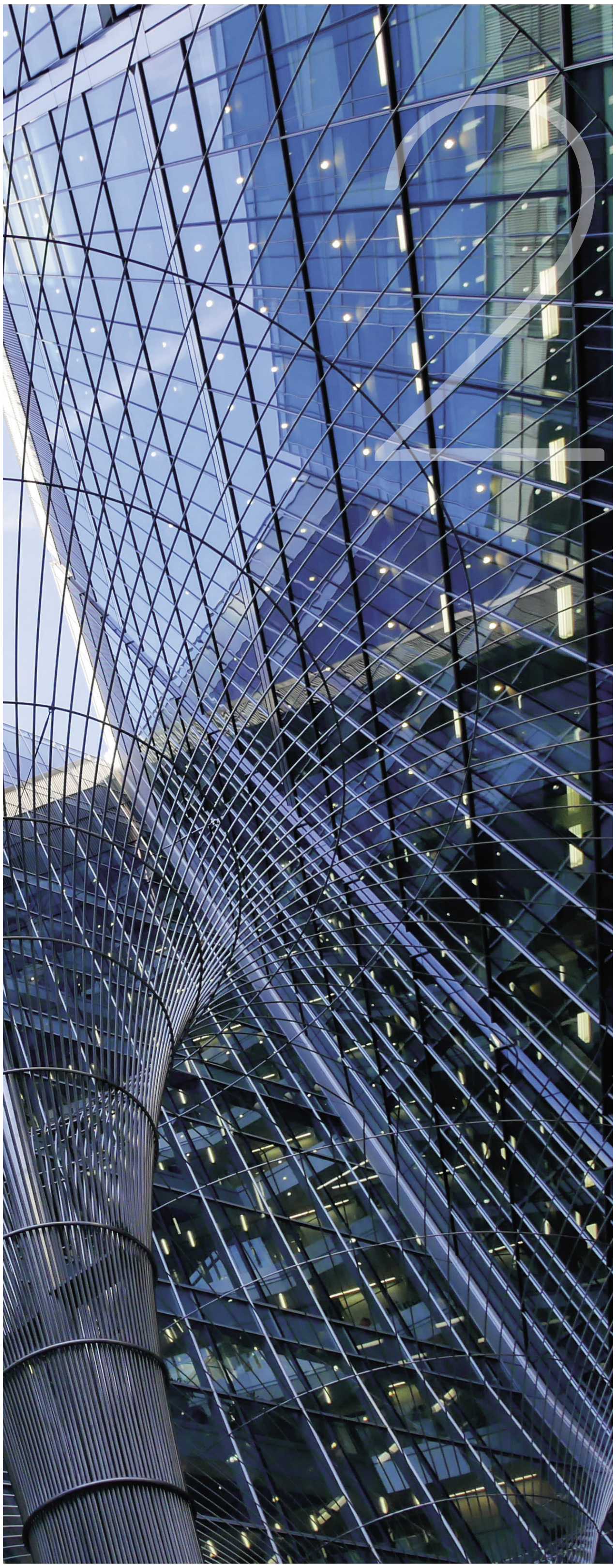


2023

TwentyFour Income Fund Limited

Interim Management Report and Unaudited Condensed Interim Financial Statements

For the period from 1 April 2023 to 30 September 2023

Contents

Summary Information

The Company

TwentyFour Income Fund Limited (the "Company" and "TFIF") is a closed-ended investment company whose shares ("Ordinary Shares", being the sole share class) have a Premium Listing 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 Exchange's FTSE 250 Index since 16 September 2022.

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 ("Portfolio") of predominantly UK and European Asset Backed Securities ("ABS").

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.

Target Returns*

The Company has a target annual net total return on the Company's NAV of between 6% and 9% per annum, which since 24 February 2023 has included quarterly dividends with an annual target each financial year of 8% of the Issue Price (the equivalent of 8 pence per year, per Ordinary Share), effective from the dividend declared in respect of the 3-month period ended 31 March 2023. Between 21 September 2022 and 23 February 2023 the annual target dividend was 7% and prior to that was 6%. Total return per Ordinary Share is calculated by adding the increase or decrease in NAV per share with the dividend per share and dividing it by the NAV per share at the start of the period/year.

The increases in the annual target dividend are intended to increase the rate of return to investors following increases in global interest base-rates.

Ongoing Charges

Ongoing charges for the period ended 30 September 2023 have been calculated in accordance with the Association of Investment Companies (the "AIC") recommended methodology. The ongoing charges for the period ended 30 September 2023 were 0.99% (30 September 2022: 0.95%).

* 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 shall 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, as defined by the AIC's ongoing charges methodology. 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.

Discount

As at 23 November 2023, the discount to NAV had moved to 2.49%. The estimated NAV per share and mid-market share price stood at 102.25p and 99.70p, respectively.

Published NAV

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 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 share can be found in Note 5.

Financial Highlights

NAV per share	
As at 30 September 2023	As at 31 March 2023
102.71p	**100.97p**

Shares in issue	
As at 30 September 2023	As at 31 March 2023
747.84 million	**718.04 million**

Share price	
As at 30 September 2023	As at 31 March 2023
97.80p	**100.50p**

Portfolio performance	
For the six-month period ended 30 September 2023	For the year ended 31 March 2023
7.39%	**-1.17%**

Total Net Assets	
As at 30 September 2023	As at 31 March 2023
£768.12 million	**£724.98 million**

Repurchase agreement borrowing	
As at 30 September 2023	As at 31 March 2023
0.78%	**6.74%**

Total return	
For the six-month period ended 30 September 2023	For the year ended 31 March 2023
8.50%	**-3.54%**

Number of positions in portfolio	
As at 30 September 2023	As at 31 March 2023
197	**183**

Dividends declared	
For the six month period ended 30 September 2023	For the year ended 31 March 2023
4p	**9.46p**

Average premium / (discount)	
For the six month period ended 30 September 2023	For the year ended 31 March 2023
-0.82%	**0.55%**

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

Chair's Statement

for the period from 1 April 2023 to 30 September 2023

Bronwyn Curtis OBE

In my capacity as Chair of the Board of Directors of TwentyFour Income Fund Limited (the "Company"), I am pleased to present my report on the Company's progress for the six-month period ended 30 September 2023 (the "reporting period").

Investment Performance

In May 2023, the Company distributed the final quarterly dividend of its financial year at 4.46p per share, increasing the overall annual dividend to 9.46p per share. This represented a 40% increase over 2022 and the highest distribution since inception, an excellent result particularly considering the wider market backdrop.

During the reporting period, the NAV per share saw an increase from 100.97 to 102.71, a rise of 1.72%. The Company's net assets increased from £725m to £768m and the NAV per share total return for the reporting period was 8.50%.

Market Overview

The start of the reporting period saw wider financial markets sailing into calmer waters, following the regional US regional banking turmoil, which gave the market the necessary stability and favourable backdrop to support primary issuance in a meaningful way.

Fundamentals have played their part in the overall performance of the sector. While traditional fixed income markets have been dominated by discussions around central bank policy and peak rates, with multiple increases in key rates by the Bank of England and the European Central Bank, the floating rate Asset Backed Securities ("ABS") and Collateralised Loan Obligations ("CLOs") markets have benefitted from the anticipated higher for longer rate environment.

In the UK, headline inflation is moderating – although core inflation remains challenging. House prices have been steadily falling over the reporting period and the Nationwide House Price Index fell 5.3% year on year to September 2023. Housing market activity remains weak with just 45,400 mortgage approvals in August, which is around 30% below the monthly average prevailing in 2019 prior to the pandemic. This subdued picture is not surprising given rising mortgage rates and the challenging picture for housing affordability, however, swap rates stabilised over the reporting period and some lenders started to reduce mortgage lending rates.

The unemployment rate over the reporting period continued to be very low. As job losses are generally the biggest driver of mortgage arrears, the actual losses remain minimal. However, the job market is weakening and while wage growth continues to be strong; cracks are starting to appear and mortgage arrears have increased this year. TwentyFour Asset Management LLP (the "Portfolio Manager") highlighted this development in previous reports to you, so it isn't a surprise and they have positioned the portfolio for this. The levels of arrears are low, and the portfolio has seen no defaults. Most of the asset class's underperformance has been seen in legacy (pre-Global Financial Crisis) non-conforming mortgage portfolios. None of these are held by the Company.

The debate around rates has shifted from how high rates might go, to how long rates might remain elevated. Deutsche Bank analysis recently noted that from a UK RMBS perspective one thing is clear: that the vast majority of borrowers who reverted from a fixed rate to a floating mortgage in 2023 (the cohort that in theory, should be most exposed to affordability stress), have so far, weathered the shock. Actual losses remain almost non-existent within UK and European RMBS and ABS securitisation pools and the 12-month trailing leveraged loan default rate remains low at 1.5%, which is well below the levels that had been forecast. There have been no losses in any tranches of any deals which the Company holds.

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 8p per year. The fourth interim dividend is used to distribute residual income (if any), generated in the year. Dividends paid by the Company for the reporting period totalled 6.46p per ordinary share.

The increase in dividends for the financial year ending March 2023 was driven by two main factors; the increase in the Bank of England Rate (which rose by 1% from 4.25% to 5.25% in the six-month period to 30 September 2023), and the deployment of available capital from bond amortisations in the portfolio of the Company, along with share issuance by the Company. This enabled the Portfolio Manager to invest at the then prevailing higher yields; which was accretive to the income of the Company.

Premium/Discount and Share Capital Management

In contrast to the wider investment company market, which saw trading at large discounts across the board, the Company traded close to NAV for the majority of the reporting period, at an average of only a -0.82% discount.

Due to shareholder demand coupled with the ability to purchase accretive assets, the Company was able to issue £29.8m of new shares between April and the end of June 2023.

Annual General Meeting

The Company's 2023 Annual General Meeting was held on 14 September 2023, with all resolutions being passed.

Board Composition

Richard Burwood retired as Non-Executive Director of the Company and as the Chair of the Management Engagement Committee, effective from 14 September 2023.

I would like to thank Richard for all his hard work and valued contribution to the Board and to the Company during his tenure.

With effect from 14 September 2023, Paul Le Page was appointed as Chair of the Management Engagement Committee.

Outlook

The market consensus is that we are close to terminal rates in the UK and Europe and the market is pointing towards a soft-landing next year. In this scenario, the economic conditions for European ABS remains favourable as unemployment and corporate defaults are expected to remain low. This in turn could mean that we see central banks keeping interest rates at higher levels for longer, further supporting the return profile of the Company's asset class.

Bronwyn Curtis OBE
Chair
23 November 2023

Portfolio Manager's Report

for the period from 1 April 2023 to 30 September 2023

TwentyFour Asset Management LLP

TwentyFour Asset Management LLP, in our capacity as Portfolio Manager to the TwentyFour Income Fund Limited, are pleased to present our report on the Company's progress for the six-month period ended 30 September 2023 ("the reporting period").

Market Environment

The reporting period has seen around €47bn of gross issuance in ABS markets, including CLOs, which culminated in September being the busiest single month for ABS, since the onset of the Global Financial Crisis ("GFC"). This included €16bn of Residential Mortgage-Backed Securities ("RMBS"), €17bn of auto and consumer ABS and €11.5bn of CLOs. Issuance was from a very geographically diverse sector across the UK and Europe and saw debut deals from new borrowers together with repeat issuers and from platforms that have not been seen in the market for a number of years.

One noted feature in the RMBS market was the welcome return of many bank lenders, which was clearly due to the rolling off, of Central Bank funding schemes.

It is becoming clear that banks are focussed on not only diversification of funding but also on diversification of capital sources, following the Credit Suisse AT1 write down. The market saw an increasing number of significant risk transfer ("SRT") transactions (which gives banks a way of deleveraging their balance sheets by transferring the risk of a tranche of a loan portfolio to an investor in such a way that they obtain regulatory capital relief) and full capital structures (which allows banks to sell whole loan portfolios rather than adopt alternative strategies that can obtain capital relief) being issued; mainly by European banks. We welcome this supply, as the collateral generally includes the core business (and best performing collateral) of the issuing bank, which should offer the Company the opportunity to further diversify its portfolio, in the coming months.

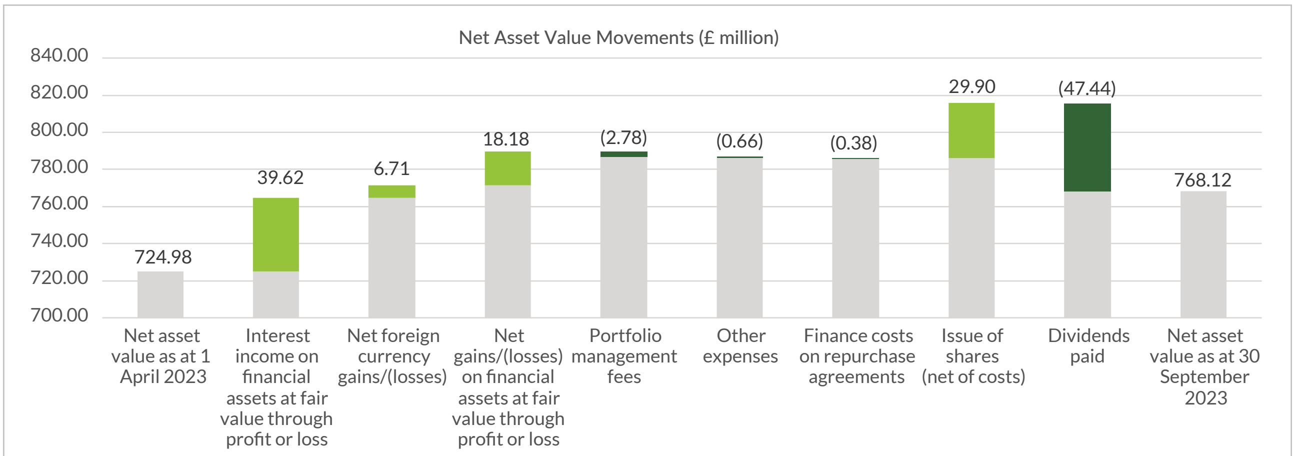
The European CLO market was active, seeing issuance during the reporting period of €11.5bn, which took the CLO issuance for the full year-to-date to around €18bn by the end of September. This was despite the challenges that the market has endured for most of the year, mainly based on the weighted average cost of capital as AAA spreads have remained stubbornly wide; but also due to a lack of underlying leveraged loan supply.

We continue to see value in BB rated securities, which at the end of the reporting period yielded around 13% (in GBP). Commercial Mortgage-Backed Security ("CMBS") activity remains, understandably, near non-existent over the reporting period, with just one deal (with low levels of leverage) from Last Mile Logistic being pre-placed into the market. However, the over-riding theme for the whole year to date, has really been the very strong supply-demand technical that has been in play, evidenced by the oversubscription levels seen across all deals, in particular mezzanine tranches, which were generally oversubscribed multiple times.

Performance

The Company returned 8.50% in the reporting period, on a total return basis, a strong performance mainly driven by CLO and RMBS returns.

The following chart explains the Company's NAV movement for the reporting period.



Portfolio Events

The fundamentals of CLOs and European ABS have been in focus for quite some time as the market has dealt with multiple headwinds. As spreads have gradually tightened during this volatile period we have gradually reduced leverage from 5.4% to just under 1% in the Company as we continue to value liquidity and flexibility in the portfolio.

One further aspect to consider is the rating performance of the ABS transactions themselves. Since the GFC, securitisation structures have been robust and rating performance has reflected this with upgrades being significantly higher than downgrades. There have been no defaults or underlying issues with the assets in the portfolio of the Company and the core focus has remained on western European, secured assets (mortgages and leveraged loans). Wider market volatility is likely to remain elevated and a deterioration of fundamental performance is expected, and we have taken the opportunity in certain instances to improve the credit profile in certain sectors. This has been achieved through selling lower rated bonds and in their stead purchasing other bonds with a higher rating or by reducing exposure to assets where our deal monitoring has shown that the performance of those assets is has reduced. We have also pared back the portfolio's exposure to UK RMBS equity through refinancing in the region of £32m during the reporting period.

Portfolio Strategy

Our focus during the reporting period, has been and will continue to be on investing in higher-yielding floating-rate ABS, which, in an environment of higher-for-longer rates, should continue to deliver ongoing, attractive levels of income; this should enable the Company to deliver on its annual target dividend. At the end of the reporting period, the Company had a very healthy gross purchase yield of 11.3% and a mark-to-market yield of 13.8%. While the overall performance of UK and European mortgage market is understandably deteriorating, the levels of losses observed within RMBS and ABS transactions currently do not give us any cause for concern. The robust nature of the ABS structures and our internal stress tests indicate that the performance of the underlying assets would need to deteriorate by many multiples of the levels that were seen in the GFC before significant losses would be seen on the transactions.

The issues in the commercial real estate sector are well documented and will take a long time to be resolved, this suggests that refinancing in the sector will become more challenging and most CMBS deals are likely to extend in the near term. As a result, we have re-underwritten all the CMBS holdings and reduced the CMBS allocation, in the portfolio, to just 3.8%.

Spreads have generally tightened during the reporting period, whilst senior issuance spreads have been mostly range-bound, without strong moves in either direction, as the market expects further issuance in the last quarter. Most of the spread performance has been in mezzanine and sub-investment grade bonds. Given the elevated volumes of primary and secondary trading were well absorbed, the market is well positioned in a good technical situation. The liquidity which the Company has available could be deployed in the event of elevated market stress to take advantage of any investment opportunities. We currently expect to increase the allocation to SRT investments instead of future RMBS equity and junior non-prime transactions.

Key Risks:

We believe the key risks currently perceived by the market are:

- The risk of the central bank rate increases having a lagged impact on economic fundamentals.
- The risk that central banks overly extend monetary tightening in their fight against high inflation, resulting in a greater economic slowdown than intended.
- The escalation of geopolitical risk due to the ongoing Ukraine-Russia conflict and Middle East conflict.

Market Outlook:

- A soft economic landing remains our base case expectation, but a recession in the EU, UK and/or US cannot be ruled out. We have therefore focussed on keeping the credit spread duration and leverage of the portfolio relatively low.
- While corporate and consumer fundamentals are likely to deteriorate, we do not expect this to be problematic for bond holders.
- We expect short term rates to remain elevated for longer. Market sentiment has already priced in rate cuts in the fixed rate market and floating rate bonds should benefit in the medium term from higher income due to elevated base rates.
- Protection from broader market volatility is very strong, supported by relatively short maturities and high income.
- Given the current uncertainty in the global economy, we believe that flexibility and liquidity remain important and remain of the view that raising the credit quality of the portfolio seems prudent at this time.

TwentyFour Asset Management LLP
23 November 2023

Top Twenty Holdings

As at 30 September 2023

Security	Nominal/ Shares	Asset Backed Security Sector*	Fair Value £	Percentage of Net Asset Value
UK MORTGAGES CORP?FDG DAC KPF1 A 0.0% 31/07/2070	20,056,444	RMBS	21,621,569	2.81
UK MORTGAGES CORPORATE F 'KPF4 A' 0.00% 30/11/2070	24,273,696	RMBS	20,627,326	2.69
SYON SECURITIES 19-1 B CLO FLT 19/07/2026	17,508,622	RMBS	16,912,787	2.20
TULPENHUIS 0.0% 18/04/2051	19,538,092	RMBS	16,674,636	2.17
UKDAC MTGE 'KPF3 A' 0.0% 31/7/2070	18,386,135	RMBS	14,647,940	1.91
EQTY. RELEASE FNDG. NO 5 '5 B' FRN 14/07/2050	16,500,000	RMBS	13,447,500	1.75
CASTELL 2022-1 PLC '1 D' FRN 25/4/2054	13,299,000	RMBS	13,370,311	1.74
VSK HOLDINGS LTD VAR 31/7/2061	2,058,000	RMBS	13,160,874	1.71
CHARLES ST CONDUIT ABS 2 LIMITED CABS 2- CL B MEZZ	12,500,000	RMBS	12,182,500	1.59
CHARLES STREET CONDUIT FRN 0.00% 12/04/2067	12,000,000	RMBS	11,548,800	1.50
SYON SECS. 2020-2 DAC '2 B' FRN 17/12/2027	10,441,446	RMBS	10,435,735	1.36
HABANERO LTD '6W B' VAR 5/4/2024	10,200,000	RMBS	10,200,000	1.33
RRME 8X D '8X D' FRN 15/10/2036	13,000,000	CLO	10,171,845	1.32
VSK HLDGS. '1 C4-1' VAR 01/10/2058	1,443,000	RMBS	9,244,830	1.20
HOPS HILL NO2 PLC '2 E' FRN 27/11/2054	9,262,000	RMBS	8,692,280	1.13
FONDO DE TITULIZACION PYME '7 NOTE' FRN 23/12/2042	10,000,000	SME	8,674,368	1.13
UK MORTGAGES CORP FDG DAC KPF2 A 0.0% 31/07/2070	15,965,581	RMBS	8,257,654	1.08
UK MORTGAGES CORP?FDG DAC CHL1 A 0.0% 31/07/2070	7,686,024	RMBS	8,195,377	1.07
SYON SECURITIES 2020-2 DESIGNATED A FLTG 17/12/2027	8,338,258	RMBS	7,859,134	1.02
TAURUS 2020-1 NL DAC 'NL1X E' FRN 20/02/2030	10,421,518	CMBS	7,647,846	1.00

The full listing of the Portfolio as at 30 September 2023 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
'SME' – Small and Medium Enterprises

Board Members

Biographical details of the Directors are as follows:

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 presently a Non-Executive member of the Oversight Board at the UK Office for Budget Responsibility and Non-Executive Director at Pershing Square Holdings, The Scottish American Investment Company plc and BH Macro Limited. 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.

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.

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.

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 years' 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 UK'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 firm'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 and RTW Biotech Opportunities Limited. Mr Le Page was appointed to the Board on 16 March 2023.

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, 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 Limited, BH Macro Limited, Super Group (SGHC) Limited, and several 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.

Board Member who retired during the period

Richard Burwood
(Non-Executive Director)

Mr Burwood is a resident of Guernsey with over 30 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 and retired from the Board effective 14 September 2023.

Disclosure of Directorships in Public Companies Listed on Recognised Stock Exchanges

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

Statement of Principal Risks and Uncertainties

The Company'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 Company's principal risks are therefore market or economic in nature.

The principal risks disclosed can be divided into the various areas as follows:

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.

Due to inflation concerns and existing geo-political tensions, both the UK and Europe could go into a prolonged recessionary period, therefore, risk premiums demanded by the market could continue to rise as risk sentiment deteriorates and wider spreads could result in lower cash prices.

Liquidity Risk

Liquidity risk is the risk that the portfolios 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.

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 impact to the security market price.

The Company holds Asset Backed Securities which comprises debt securities issued by companies, trusts or other investment vehicles which, compared to bonds issued or guaranteed by 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 is indicated by the issuer's credit rating which is assigned by one or more internationally recognised rating agencies. This does not amount to a guarantee of the issuer's creditworthiness 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 issuers. 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.

In the event of a default under an Asset Backed Security, the Company'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 Company'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 the note 16.

Foreign Currency Risk

The Company is exposed to foreign currency risk through its investments in predominantly Euro-denominated assets. The Company's share capital is denominated in Sterling and its expenses are incurred in Sterling. The Company'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 Company'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.

Counterparty Credit Risk

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

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 (DVP) basis for all non-derivative transactions and central clearing helps to ensure that trades settle on a timely basis.

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 expects £61.7m 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 quarter'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.

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.

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.

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 Asset Backed Securities 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 34 to 37 of the Annual Report for the year ended 31 March 2023 and is therefore satisfied that income is appropriately stated in all material aspects in the Financial Statements.

Cyber Security Risks

The Company is exposed to 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. The Board is satisfied that the Company's service providers have the relevant controls in place to mitigate this risk.

Geopolitical Risk and Economic Disruption

The Company is exposed to the risk of geopolitical and economic events impacting on the Company, Portfolio Manager 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 Company's Shareholders. The Company's key suppliers do not have operations in Ukraine, Russia, Belarus or the Middle East and there is not expected to be any adverse impact from military operations on the activity (including processes and procedures) of the Company.

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.

Regular contact is maintained by the Portfolio Manager and 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.

Environmental, Social, and Governance ("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. 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.

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 pages 13 to 16 of the Annual Report for the year ended 31 March 2023.

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 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 ("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 2025.

The Company's continuing ability to continue as a going concern, in light of the external geo-political and macro factors, the increased risk of default due to rising inflation, increasing global interest rates and the next Realisation Opportunity has been considered by the Directors and no material doubts to going concern have been identified.

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 2023 to 30 September 2023 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 2023 to 30 September 2023 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

Bronwyn Curtis
Director

John Le Poidevin
Director

23 November 2023

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.

Independent Review Report to TwentyFour Income Fund Limited

Conclusion

We have been engaged by TwentyFour Income Fund Limited (the "Company") to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 September 2023 of the Company, which comprises the statement of financial position, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows and the related explanatory notes. Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 September 2023 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").

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 ("ISRE (UK) 2410") issued by the Financial Reporting Council for use in the UK. 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. 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.

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.

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.

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.

Directors' 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.

As disclosed in note 2, the annual financial statements of the Company are prepared in accordance with International Financial Reporting Standards. The directors are responsible for preparing the condensed set of financial statements included in the half-yearly financial report in accordance with IAS 34 Interim Financial Reporting. In preparing the half-yearly financial report, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Our responsibility

Our responsibility is to express to the Company a conclusion on the condensed set of financial statements in the half-yearly financial report based on our review. 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.

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. 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.

Rachid Frihmat
For and on behalf of KPMG Channel Islands Limited
Chartered Accountants
Guernsey

23 November 2023

Condensed Statement of Comprehensive Income

for the period from 1 April 2023 to 30 September 2023

		For the period from 01.04.23 to 30.09.23	For the period from 01.04.22 to 30.09.22
Income	**Notes**	**£ (Unaudited)**	**£ (Unaudited)**
Interest income on financial assets at fair value through profit or loss		39,617,803	27,159,169
Net foreign currency gains/(losses)	7	6,714,557	(11,081,941)
Net gains/(losses) on financial assets at fair value through profit or loss	8	18,179,471	(95,521,570)
Total income/(loss)		**64,511,831**	**(79,444,342)**
Operating expenses			
Portfolio management fees	14	(2,785,136)	(2,516,061)
Directors' fees	14	(136,245)	(149,846)
Administration and secretarial fees	15	(175,947)	(161,765)
Audit fees		(78,000)	(65,000)
Custody fees	15	(37,139)	(33,548)
Broker fees		(24,939)	(25,057)
AIFM management fees	15	(126,343)	(115,684)
Depositary fees	15	(50,155)	(45,695)
Legal and professional fees		(28,635)	(31,216)
Listing fees		(12,500)	(14,105)
Registration fees		(44,030)	(19,783)
Other expenses		56,041	(152,697)
Total operating expenses		**(3,443,028)**	**(3,330,457)**
Total operating profit/(loss)		61,068,803	(82,774,799)
Finance costs on repurchase agreements	11	(383,505)	(255,413)
Total comprehensive income/(loss) for the period*		**60,685,298**	**(83,030,212)**
Earning/(loss) per Ordinary Share	3	0.0817	(0.1299)

All items in the above statement derive from continuing operations.

The Company's income and expenses are not affected by seasonality or cyclicity.

The notes on pages 22 to 42 form an integral part of these Unaudited Condensed Interim Financial Statements.

*There was no other comprehensive income during the current and prior periods.

Condensed Statement of Financial Position

as at 30 September 2023

Assets	Notes	30.9.2023 £ (Unaudited)	31.03.2023 £ (Audited)
Non-current assets			
Financial assets at fair value through profit or loss			
- Investments[1]	8	757,872,773	739,385,970
Current assets			
Financial assets at fair value through profit or loss			
- Derivative assets: Forward currency contracts	17	28,274	2,281,253
Other receivables	9	8,319,864	6,976,028
Cash and cash equivalents		15,024,303	27,235,318
Total assets		**781,245,214**	**775,878,569**
Liabilities			
Current liabilities			
Financial liabilities at fair value through profit or loss			
- Derivative liabilities: Forward currency contracts	17	3,763,080	1,509
Amounts payable under repurchase agreements	11	5,921,313	49,827,700
Amounts due to broker		2,342,079	-
Share issue costs payable		-	5,219
Other payables	10	1,094,157	1,061,379
Total liabilities		**13,120,629**	**50,895,807**
Net assets		**768,124,585**	**724,982,762**
Equity			
Share capital account	12	780,213,410	750,558,986
(Accumulated losses)		(12,088,825)	(25,576,224)
Total equity		**768,124,585**	**724,982,762**
Ordinary Shares in issue	12	747,836,661	718,036,661
Net Asset Value per Ordinary Share (pence)	5	102.71	100.97

1 The entire balance of investments in Financial assets at fair value through profit or loss was reclassified from current assets to non-current assets. For more information please see Note 8 – Investments.

The Unaudited Condensed Interim Financial Statements on pages 18 to 42 were approved by the Board of Directors on 23 November 2023 and signed on its behalf by:

Bronwyn Curtis
Director

John Le Poidevin
Director

The notes on pages 22 to 42 form an integral part of these Unaudited Condensed Interim Financial Statements.

Condensed Statement of Changes in Equity

for the period from 1 April 2023 to 30 September 2023

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

	Notes	Share capital account £	Retained earnings/ (Accumulated losses) £	Total £
Balances at 1 April 2022		675,350,674	43,126,544	718,477,218
Issue of shares		1,054,500	-	1,054,500
Share issue costs		(12,127)	-	(12,127)
Release of UKML share issue costs payable		803,803		803,803
Dividends paid		-	(24,088,138)	(24,088,138)
Income equalisation on new issues	4	(16,079)	16,079	-
Total comprehensive loss for the period		-	(83,030,212)	(83,030,212)
Balances at 30 September 2022 (Unaudited)		**677,180,771**	**(63,975,727)**	**613,205,044**

The notes on pages 22 to 42 form an integral part of these Unaudited Condensed Interim Financial Statements.

Condensed Statement of Cash Flows

for the period from 1 April 2023 to 30 September 2023

	Notes	For the period from 01.04.23 to 30.09.23	For the period from 01.04.22 to 30.09.22
Cash flows from operating activities		**£ (Unaudited)**	**£ (Unaudited)**
Total comprehensive gain/(loss) for the period		60,685,298	(83,030,212)
Less:			
Interest income on financial assets at fair value through profit or loss		(39,617,803)	(27,159,169)
Movement in interest income receivable		1,400,933	(1,525,481)
Adjustments for non-cash transactions:			
Net (gains)/losses on investments	8	(18,179,471)	95,521,570
Amortisation adjustment under effective interest rate method	8	(7,931,404)	(7,226,952)
Unrealised losses on forward currency contracts	7	6,014,551	4,310,247
Exchange losses/(gains) on cash and cash equivalents		2,812	(26,446)
Investment income		37,793,736	25,366,644
Bank interest income		423,134	267,044
Increase in other receivables		(1,343,836)	(1,498,828)
Increase/(decrease) in other payables		32,778	(698,449)
Finance costs on repurchase agreements		383,505	255,413
Purchase of investments		(141,096,823)	(129,995,550)
Sale of investments/principal repayments		151,062,974	87,130,635
Net cash generated from/(used in) operating activities		49,630,384	(38,309,534)
Cash flows from financing activities			
Proceeds from issue of Ordinary Redeemable Shares		30,244,890	1,054,500
Share issue costs		(353,037)	(2,406,742)
Dividend paid		(47,440,548)	(24,088,138)
Finance costs		(383,505)	(255,413)
(Decrease)/increase in amounts payable under repurchase agreements		(43,906,387)	24,270,170
Net cash used in financing activities		(61,838,587)	(1,425,623)
Decrease in cash and cash equivalents		**(12,208,203)**	**(39,735,157)**
Cash and cash equivalents at beginning of the period		27,235,318	59,706,062
Exchange (losses)/gains on cash and cash equivalents		(2,812)	26,446
Cash and cash equivalents at end of the period		**15,024,303**	**19,997,351**

The notes on pages 22 to 42 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 2023 to 30 September 2023

1. General Information

TwentyFour Income Fund Limited (the "Company") is a closed-ended investment company whose shares ("Ordinary Shares", being the sole share class) have a Premium Listing on the Official List of the UK Listing Authority and trade on the Main Market of the London Stock Exchange. The Company was incorporated in Guernsey on 11 January 2013.

Since 16 September 2022, the Company has been included on the London Stock Exchange's FTSE 250 Index.

The Company's investment objective and policy is set out in the Summary Information on page 2.

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 2023 to 30 September 2023 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 2023, 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

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

At the reporting date of these Financial Statements, the following standards, interpretations and amendments, were adopted for the period ended 30 September 2023 and the year ending 31 March 2024:

- Insurance Contracts (IFRS 17) (applicable to accounting periods beginning on or after 1 January 2023);
- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) (applicable to accounting periods beginning on or after 1 January 2023);
- Definition of Accounting Estimates (Amendments to IAS 8) (applicable to accounting periods beginning on or after 1 January 2023); and
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12) (applicable to accounting periods beginning on or after 1 January 2023).

The Directors ("Directors") of the Company (the "Board") believe that the adoption of the above standards does not have a material impact on the Company's Unaudited Condensed Interim Financial Statements for the period ended 30 September 2023 and for the Annual Audited Financial Statements for the year ending 31 March 2024.

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:

- 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);
- Lease Liability in a Sale or Leaseback (Amendments to IFRS 16) (applicable to accounting periods beginning on or after 1 January 2024);
- Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7) (applicable to accounting periods beginning on or after 1 January 2024);
- Lack of Exchangeability (Amendments to IAS 21) (applicable to accounting periods beginning on or after 1 January 2025);

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/(Loss) per Ordinary Share – Basic & Diluted

The earnings per Ordinary Share – Basic is calculated by dividing a company's income or profit by the number of 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.

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

Basic earnings per Ordinary Share has been calculated based on the weighted average number of Ordinary Shares of 742,733,383 (30 September 2022: 638,959,048) and a net gain of £60,685,298 (30 September 2022: net loss of £83,030,212).

4. Income Equalisation on New Issues

In order to ensure there are no dilutive effects on earnings per share for current holders of shares ("Ordinary Shares") issued by the Company ("Shareholders") 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 £242,649 (30 September 2022: £16,079).

5. Net Asset Value per Ordinary Share

The net asset value ("NAV") of each Ordinary Share of £1.03 (31 March 2023: £1.01) is determined by dividing the value of the net assets of the Company attributed to the Ordinary Shares of £768,124,585 (31 March 2023: £724,982,762) by the number of Ordinary Shares in issue at 30 September 2023 of 747,836,661 (31 March 2023: 718,036,661).

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 (2022: £1,200).

Notes to the Unaudited Condensed Interim Financial Statements (continued)

for the period from 1 April 2023 to 30 September 2023

7. Net Foreign Currency Gains/(Losses)

	For the period from 01.04.23 to 30.09.23	For the period from 01.04.22 to 30.09.22
	£ (Unaudited)	**£ (Unaudited)**
Movement on unrealised loss on forward currency contracts	(6,014,551)	(4,310,247)
Realised gains/(losses) on foreign currency contracts	12,705,591	(7,171,088)
Unrealised foreign currency gain on receivables/payables	4,063	219,025
Unrealised foreign currency exchange gain on interest receivable	19,454	180,369
	6,714,557	**(11,081,941)**

8. Investments

	For the period 01.04.23 to 30.09.23	For the year 01.04.22 to 31.03.23
Financial assets at fair value through profit or loss:	**£ (Unaudited)**	**£ (Audited)**
Opening book cost	832,506,047	693,217,802
Purchases at cost	143,438,902	390,806,347
Proceeds on sale/principal repayment	(151,062,974)	(297,663,729)
Amortisation adjustment under effective interest rate method	7,931,404	19,931,829
Realised gains on sale/principal repayment	3,173,775	57,193,656
Realised losses on sale/principal repayment	(43,700,421)	(30,979,858)
Closing book cost	792,286,733	832,506,047
Unrealised gains on investments	14,553,298	3,919,689
Unrealised losses on investments	(48,967,258)	(97,039,766)
Fair value	**757,872,773**	**739,385,970**

	For the period from 01.04.23 to 30.09.23	For the period from 01.04.22 to 30.09.22
	£ (Unaudited)	**£ (Unaudited)**
Realised gains on sales/principal repayment	3,173,775	46,974,421
Realised losses on sales/principal repayment	(43,700,421)	(38,404,969)
Movement in unrealised gains	10,633,609	(35,448,173)
Movement in unrealised losses	48,072,508	(68,642,849)
Net gains/(losses) on financial assets at fair value through profit or loss	**18,179,471**	**(95,521,570)**

In the six-month period ended 30 September 2023, investments have been reclassified as 'non-current assets' from 'current assets'. This is to more accurately reflect the Company's intention not to hold the majority of investments in the portfolio for sale in any given period.

The reclassification has no impact on the 31 March 2023 NAV.

9. Other Receivables

	As at 30.09.23	As at 31.03.23
	£ (Unaudited)	**£ (Audited)**
Coupon interest receivable	8,149,957	6,808,822
Bank interest receivable	121,388	61,590
Prepaid expenses	48,519	105,616
	8,319,864	**6,976,028**

There are no material expected credit losses for coupon interest receivable as at 30 September 2023.

10. Other Payables

	As at 30.09.23	As at 31.03.23
	£ (Unaudited)	**£ (Audited)**
Portfolio management fees payable	759,976	738,231
Custody fees payable	12,642	6,974
Administration and secretarial fees payable	175,211	83,039
Directors' fee payable	1,375	12,629
Audit fees payable	71,939	136,389
AIFM management fees payable	113,236	47,885
Depositary fees payable	25,326	16,792
General expenses payable	(65,548)	19,440
	1,094,157	**1,061,379**

A summary of the expected payment dates of payables can be found in the 'Liquidity Risk' section of Note 16.

11. Amounts 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 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 Company's Global Master Repurchase Agreement it may from time to time enter into transactions with a buyer or seller under the terms and conditions as governed by the agreement.

Finance costs on repurchase agreements have been presented separately from interest income for the period end 30 September 2023.

Finance costs on repurchase agreements amounted to £383,505 (30 September 2022: £255,413). As at 30 September 2023, finance cost liabilities on open repurchase agreements amounted to £120,196 (31 March 2023: £157,335).

At the end of the period, amounts repayable under open repurchase agreements were £5,921,313 (31 March 2023: £49,827,700). 2 securities were designated as collateral against the repurchase agreements (31 March 2023: 9 securities), with a total fair value of £7,855,797 (31 March 2023: £50,574,587), all of which were investment grade residential mortgage backed securities. The total exposure was -0.77% (31 March 2023: -6.87%) of the Company's NAV. The contracts were across one counterparty and were all rolling agreements with a maturity of 3 months.

Notes to the Unaudited Condensed Interim Financial Statements (continued)

for the period from 1 April 2023 to 30 September 2023

12. Share Capital - Authorised Share Capital

Unlimited number of Ordinary Shares at no par value.

Issued Share Capital

	For the period 01.04.23 to 30.09.23	For the year 01.04.22 to 31.03.23
Ordinary Shares	**£**	**£**
Ordinary Redeemable Shares	**(Unaudited)**	**(Audited)**
Share Capital at the beginning of the period/year	750,558,986	675,350,674
Issued Share Capital	30,244,890	76,631,101
Share issue costs	(347,817)	(773,112)
Release of UKML share issue costs payable[1]	-	798,176
Income equalisation on new issues	(242,649)	(1,447,853)
Total Share Capital at the end of the period/year	**780,213,410**	**750,558,986**

1.The release of UKML share issue costs payable was as a result of an over-accrual of estimated costs at 31 March 2022 attributed to the issue of new shares from the acquisition of UKML assets.

	For the period 01.04.23 to 30.09.23	For the year 01.04.22 to 31.03.23
Ordinary Shares	**Shares (Unaudited)**	**Shares (Audited)**
Shares at the beginning of the period/year	718,036,661	638,942,655
Issue of Shares	29,800,000	79,094,006
Total Shares in issue at the end of the period/year	**747,836,661**	**718,036,661**

	For the period 01.04.23 to 30.09.23	For the year 01.04.22 to 31.03.23
Treasury Shares	**£ (Unaudited)**	**£ (Audited)**
Treasury Share capital at the beginning of the period/year	-	43,083,300
Issue of Ordinary Shares from Treasury	-	(43,083,300)
Total Treasury Share capital at the end of the period/year	**-**	**-**

	For the period 01.04.23 to 30.09.23	For the year 01.04.22 to 31.03.23
Treasury Shares	**Shares (Unaudited)**	**Shares (Audited)**
Treasury Shares at the beginning of the period/year	-	39,000,000
Issue of Ordinary Shares from Treasury	-	(39,000,000)
Total Shares at the end of the period/year	**-**	**-**

12. Share Capital (continued)

Issued Share Capital (continued)

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 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 2023, one share class has been issued, being the Ordinary Shares of the Company.

The Ordinary Shares carry the following rights:

a) The Ordinary Shares carry the right to receive all income of the Company attributable to the Ordinary 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 ("Reorganisation Date"), the Shareholders are entitled to serve a written notice ("Realisation Election") 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 £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 £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.

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.

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

£2,396,197 of share issue costs paid in the Condensed Statement of Cash Flows for the period from 1 April 2022 to 30 September 2022 related to issue costs incurred during the period ended 30 September 2022 in relation to the acquisition of UKML assets. During the year ended 31 March 2023, £798,176 of the original costs capitalised were released back to the NAV of the Company.

13. Analysis of Financial Assets and Liabilities by Measurement Basis

	Assets at fair value through profit or loss	Amortised cost	Total
30 September 2023	£	£	£
Financial Assets as per Condensed Statement of Financial Position (Unaudited)			
Financial assets at fair value through profit or loss:			
- Investments	757,872,773	-	757,872,773
- Derivative assets: Forward currency contracts	28,274	-	28,274
Other receivables (excluding prepayments)	-	8,271,345	8,271,345
Cash and cash equivalents	-	15,024,303	15,024,303
	757,901,047	**23,295,648**	**781,196,695**

Notes to the Unaudited Condensed Interim Financial Statements (continued)

for the period from 1 April 2023 to 30 September 2023

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

	Liabilities at fair value through profit or loss	Amortised cost	Total
	£	£	£
Financial Liabilities as per Condensed Statement of Financial Position (Unaudited)			
Financial liabilities at fair value through profit or loss:			
- Derivative liabilities: Forward currency contracts	3,763,080	-	3,763,080
Amounts payable under repurchase agreements	-	5,921,313	5,921,313
Amounts due to brokers	-	2,342,079	2,342,079
Other payables	-	1,094,157	1,094,157
	3,763,080	**9,357,549**	**13,120,629**

	Assets at fair value through profit or loss	Amortised cost	Total
31 March 2023	£	£	£
Financial Assets as per Condensed Statement of Financial Position (Audited)			
Financial assets at fair value through profit or loss:			
- Investments	739,385,970	-	739,385,970
- Derivative assets: Forward currency contracts	2,281,253	-	2,281,253
Other receivables (excluding prepayments)	-	6,870,412	6,870,412
Cash and cash equivalents	-	27,235,318	27,235,318
	741,667,223	**34,105,730**	**775,772,953**

	Liabilities at fair value through profit or loss	Amortised cost	Total
	£	£	£
Financial Liabilities as per Condensed Statement of Financial Position (Audited)			
Financial liabilities at fair value through profit or loss:			
- Derivative liabilities: Forward currency contracts	1,509	-	1,509
Amounts payable under repurchase agreements	-	49,827,700	49,827,700
Share issue costs payable	-	5,219	5,219
Other payables	-	1,061,379	1,061,379
	1,509	**50,894,298**	**50,895,807**

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. Shareholders approved the upper limit of aggregate Director fees at £400,000 per annum at an Annual General Meeting on 14 October 2022.

Following an independent review of directors' fees by external evaluation practitioner Trust Associates Limited, with effect from 1 January 2023 the annual fees have been £60,000 for the Chair of the Board, £50,000 for the Audit Committee Chair, £42,000 for the Senior Independent Director, the Chair of the Management Engagement Committee and the Chair of the Nomination and Remuneration Committee and £40,000 for all other Directors.

During the period ended 30 September 2023, Directors fees of £136,245 (30 September 2022: £149,846) were charged to the Company, of which £1,375 (31 March 2023: £Nil) remained payable at the end of the period.

b) Shares Held by Related Parties

As at 30 September 2023, Directors of the Company held the following shares beneficially:

	Number of Shares 30.09.23	Number of Shares 31.03.23
Bronwyn Curtis	105,313	105,313
Richard Burwood[1]	N/A	87,186
John de Garis	39,753	39,753
Joanne Fintzen	38,538	38,538
Paul Le Page	49,457	49,457
John Le Poidevin	260,121	260,121

1 Richard Burwood retired from the Board on 14 September 2023.

None of the Directors purchased or sold any shares, during the six month period ended 30 September 2023.

As at 30 September 2023, the Portfolio Manager held 36,406,018 Shares (31 March 2023: 31,805,683 Shares), which is 4.87% (31 March 2023: 4.89%) of the Issued Share Capital. Partners and employees of the Portfolio Manager held 8,433,080 Shares (31 March 2023: 12,155,104 Shares), which is 1.13% (31 March 2023: 1.69%) of the Issued Share Capital.

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.

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 £2,785,136 (30 September 2022: £2,156,061) of which £759,976 (31 March 2023: £738,231) 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 £45,367 (30 September 2022: £1,582) in commission.

Notes to the Unaudited Condensed Interim Financial Statements (continued)

for the period from 1 April 2023 to 30 September 2023

15. Material Agreements

a) Alternative Investment Fund Manager

The Company's Alternative Investment Fund Manager (the "AIFM") is Apex Fundrock Ltd. 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 2023, AIFM fees of £126,343 (30 September 2022: £115,684) were charged to the Company, of which £113,236 (31 March 2023: £47,885) 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 £175,947 (30 September 2022: £161,765) of which £175,211 (31 March 2023: £83,039) 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 NAV 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 £50,155, (30 September 2022: £45,695) of which £25,326 (31 March 2023: £16,792) 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 £37,139 (30 September 2022: £33,548) of which £12,642 (31 March 2023: £6,974) is due and payable at the period end.

16. Financial Risk Management

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

The Company'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 Company'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.

Market Risk

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

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 Company'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.

(i) Price Risk

The price of an Asset Backed Security can be affected by a number of factors, including: (i) changes in the market'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 market's perception of the adequacy of credit support built into the security'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).

The Company'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.

(ii) Interest Rate Risk

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.

The tables below summarise the Company's exposure to interest rate risk:

	Floating rate	**Fixed rate**	**Non-interest bearing**	**Total**
As at 30 September 2023	**£ (Unaudited)**	**£ (Unaudited)**	**£ (Unaudited)**	**£ (Unaudited)**
Financial assets at fair value through profit or loss	757,872,773	-	-	757,872,773
Derivative assets	-	-	28,274	28,274
Other receivables (excluding prepayments)	-	-	8,271,345	8,271,345
Cash and cash equivalents	15,024,303	-	-	15,024,303
Repurchase agreements	-	(5,921,313)	-	(5,921,313)
Amounts due to brokers	-	-	(2,342,079)	(2,342,079)
Other payables	-	-	(1,094,157)	(1,094,157)
Derivative liabilities	-	-	(3,763,080)	(3,763,080)
Net current assets	**772,897,076**	**(5,921,313)**	**1,100,303**	**768,076,066**

	Floating rate	**Fixed rate**	**Non-interest bearing**	**Total**
As at 31 March 2023	**£ (Audited)**	**£ (Audited)**	**£ (Audited)**	**£ (Audited)**
Financial assets at fair value through profit or loss	739,385,970	-	-	739,385,970
Derivative assets	-	-	2,281,253	2,281,253
Other receivables (excluding prepayments)	-	-	6,870,412	6,870,412
Cash and cash equivalents	27,235,318	-	-	27,235,318
Repurchase agreements	-	(49,827,700)	-	(49,827,700)
Amounts due to brokers	-	-	(5,219)	(5,219)
Other payables	-	-	(1,061,379)	(1,061,379)
Derivative liabilities	-	-	(1,509)	(1,509)
Net current assets	**766,621,288**	**(49,827,700)**	**8,083,558**	**724,877,146**

Notes to the Unaudited Condensed Interim Financial Statements (continued)

for the period from 1 April 2023 to 30 September 2023

16. Financial Risk Management (continued)

(ii) Interest Rate Risk (continued)

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 range from daily to a maximum of 6 months. As at period end, the Company had 0.69% exposure to fixed-rate Asset Backed Securities and therefore the Company has minimal interest rate risk. However, the Company may choose to utilise appropriate strategies to achieve the desired level of interest rate exposure (the Company is permitted to use, for example, interest rate swaps and repurchase agreements to accomplish this). The value of asset backed securities 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.

The Company'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 Company's Administrator.

(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 in some Euro assets while its Shares are denominated in Sterling and its expenses are incurred in Sterling. Therefore the Statement of Financial Position may be affected by movements in the exchange rate between Euro and Sterling. The Company manages the exposure to currency movements by using spot and forward foreign exchange contracts, rolling forward on a periodic basis.

	Contract values	Outstanding contracts	Mark to market equivalent	Unrealised gains/(losses)
	30.9.2023 (Unaudited)	**30.9.2023 (Unaudited)**	**30.9.2023 (Unaudited)**	**30.9.2023 (Unaudited)**
Two Euro forward foreign currency contracts totalling: Settlement date 18 October 2023	€15,700,000	£13,652,270	£13,623,996	£28,274
Three Euro forward foreign currency contracts totalling: Settlement date 18 October 2023	€453,283,432	£389,582,904	£393,345,984	(£3,763,080)
				(£3,734,806)

	Contract values	Outstanding contracts	Mark to market equivalent	Unrealised gains
	31.03.2023 (Audited)	**31.03.2023 (Audited)**	**31.03.2023 (Audited)**	**31.03.2023 (Audited)**
Three Sterling forward foreign currency contracts totalling: Settlement date 12 April 2023	€416,268,352	£368,081,043	£365,820,527	£2,260,516
One Euro forward foreign currency Settlement date 12 April 2023	(€7,463,014)	(£6,539,339)	(£6,558,567)	£19,228
				£2,279,744

(iii) Foreign Currency Risk (continued)

Contract values represent the contract's notional value. Outstanding contracts are the contract's notional values, translated at the contracted FX rate from Euro to Sterling, or from Sterling to Euro.

As at 30 September 2023 and as at 31 March 2023, the Company held the following assets and liabilities denominated in Euro, with the effective net exposure of open Euro forward currency contracts:

	As at 30.9.2023	As at 31.03.2023
Assets/(Liabilities):	**£ (Unaudited)**	**£ (Audited)**
Investments	402,715,424	361,420,402
Cash and cash equivalents	1,351,492	970,272
Other receivables	6,259,074	5,083,861
Amounts due to broker	(2,342,079)	-
Open forward currency contracts	(406,969,980)	(359,261,960)
	1,013,931	**8,212,575**

The tables below summarise the sensitivity of the Company's assets and liabilities to changes in foreign exchange movements between Euro and Sterling at 30 September 2023 and 31 March 2023. 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 management's best estimate of a reasonable possible shift in the foreign exchange rates, having regard to historical volatility of those rates.

	As at 30.9.2023	As at 31.03.2023
	£ (Unaudited)	**£ (Audited)**
Impact on Condensed Statement of Comprehensive Income in response to a:		
- 20% increase	(36,990)	(1,321,137)
- 20% decrease	448,754	2,123,313
Impact on Statement of Changes in Equity in response to a:		
- 20% increase	(36,990)	(1,321,137)
- 20% decrease	448,754	2,123,313

(iv) Reinvestment Risk

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

A key determinant of a bond'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.

The Company assesses reinvestment risk on at least a monthly basis by calculating the projected amortisation profile of the Company across the next three years. In addition, changes in the Company's yield and income are assessed over the same timeframe as securities redeem or mature to identify any periods where reinvestment risk may be more significant.

(v) Price Sensitivity Analysis

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

Notes to the Unaudited Condensed Interim Financial Statements (continued)

for the period from 1 April 2023 to 30 September 2023

16. Financial Risk Management (continued)

(v) Price Sensitivity Analysis (continued)

At 30 September 2023, if market prices had been 10% higher with all other variables held constant, the increase in net assets attributable to Shareholders would have been £75,787,277 (31 March 2023: £73,938,597). An equal change in the opposite direction would have decreased the net assets attributable to 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.

As noted in Note 17, the valuation models used (typically discounted cash flow models) include unobservable inputs that may rely on assumptions that are subject to judgement. The sensitivity analysis of such inputs was available for the period ended 30 September 2023 and year ended 31 March 2023.

Actual trading results may differ from the above sensitivity analysis and those differences may be material.

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.

The main concentration of credit risk to which the Company is exposed arises from the Company'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 Company's investments in ABS defaulted (31 March 2023: none).

The Company's policy to manage this risk is by no more than 20% of the value of the Portfolio 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.

The Portfolio of ABS by ratings category using the highest rating assigned by Standard and Poor's ("S&P"), Moody's Analytics (Moody's") or Fitch Ratings ("Fitch"):

	30.09.23 (Unaudited)	31.03.23 (Audited)
AAA	1.72%	0.23%
AA	-	0.68%
AA-	2.14%	1.92%
A+	4.47%	3.82%
A	3.14%	2.93%
A-	4.11%	2.95%
BBB+	6.36%	8.47%
BBB	1.34%	1.73%
BBB-	4.94%	4.90%
BB+	6.92%	5.37%
BB	4.52%	3.71%
BB-	12.06%	10.58%
B+	6.33%	5.94%
B	5.54%	5.04%
B-	11.15%	10.81%
CCC	-	0.17%
NR*	25.26%	30.75%
	100.00%	**100.00%**

*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 Moody'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.

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.

The Company manages its counterparty exposure in respect of cash and cash equivalents and forwards by investing with counterparties with a "single A" 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, a publicly traded constituent of the S&P 500 with a credit rating of A+ from Standard & Poor's and A2 from Moody's.

The Company'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:

	As at 30.09.23	As at 31.03.23
	£ (Unaudited)	**£ (Audited)**
Investments	757,872,773	739,385,970
Cash and cash equivalents	15,024,303	27,235,318
Unrealised gains on derivative assets	28,274	2,281,253
Other receivables	8,271,345	6,870,412
	781,196,695	**775,772,953**

Investments in ABS that are not backed by mortgages present certain risks that are not presented by Mortgage-Backed Securities ("MBS"). 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 Asset Backed Securities is ultimately dependent upon payment of the underlying debt by the debtor.

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.

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 may also have no active market and the Company has no redemption rights in respect of these investments. The Company has the ability to borrow to ensure sufficient cash flows.

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.

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

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.

Shareholders wishing to divest of their investment in the Company are 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.

Notes to the Unaudited Condensed Interim Financial Statements (continued)

for the period from 1 April 2023 to 30 September 2023

Liquidity Risk

	Up to 1 month	1-6 months	6-12 months	Total
As at 30 September 2023	**£ (Unaudited)**	**£ (Unaudited)**	**£ (Unaudited)**	**£ (Unaudited)**
Financial liabilities				
Repurchase agreements	-	(5,921,313)	-	(5,921,313)
Unrealised loss on derivative liabilities	(3,763,080)	-	-	(3,763,080)
Director fees payable	(1,375)	-	-	(1,375)
Amounts due to broker	(2,342,079)	-	-	(2,342,079)
Other payables	(985,843)	(106,939)	-	(1,092,782)
Total	**(7,092,377)**	**(6,028,252)**	**-**	**(13,120,629)**

	Up to 1 month	1-6 months	6-12 months	Total
As at 31 March 2023	**£ (Audited)**	**£ (Audited)**	**£ (Audited)**	**£ (Audited)**
Financial liabilities				
Repurchase agreements	-	(49,827,700)	-	(49,827,700)
Unrealised loss on derivative liabilities	(1,509)	-	-	(1,509)
Share issue costs payable	(5,219)	-	-	(5,219)
Director fees payable	(12,629)	-	-	(12,629)
Other payables	(912,361)	(136,389)	-	(1,048,750)
Total	**(931,718)**	**(49,964,089)**	**-**	**(50,895,807)**

Capital Risk Management

The Company manages its capital to ensure that it is able to continue as a going concern while following the Company's stated investment policy and when considering and approving dividend payments. The capital structure of the Company consists of Shareholders' 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 Shares. There are no regulatory requirements to return capital to Shareholders.

(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.

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 borrowings). The Listing Rules prohibit the Company from conducting any share buybacks during close periods.

(ii) Realisation Opportunity

A Realisation Opportunity takes place at the annual general meeting of the Company every three years, the most recent of which was on 21 October 2022. 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 £100 million.

The Company will attempt, where possible to offset realisation requests with a simultaneous placing programme. If this is not possible it has the ability to designate realisation assets as a realisation pool and to convert ordinary shares to realisation shares to prevent any adverse impact on the liquidity of its investment portfolio. In the event that Realisation shares are issued, it is anticipated that the ability of the Company to make returns of cash to the holders of these Shares will depend in part on the ability of the Portfolio Manager to realise the portfolio.

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.

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.

(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 may convene a general meeting of the Company where the Directors will propose a resolution that the Company should continue as an Investment Company.

17. Fair Value Measurement

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

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 2023 and year ended 31 March 2023.

	Level 1	Level 2	Level 3	Total
Assets	**£ (Unaudited)**	**£ (Unaudited)**	**£ (Unaudited)**	**£ (Unaudited)**
Financial assets at fair value through profit or loss:				
Asset Backed Securities:				
Auto Loans	-	24,747,741	-	24,747,741
CLO	-	268,922,889	-	268,922,889
CMBS	-	29,034,217	-	29,034,217
Consumer ABS	-	16,537,013	-	16,537,013
RMBS	-	243,074,974	161,754,064	404,829,038
SME	-	8,674,368	-	8,674,368
Student Loans	-	5,127,507	-	5,127,507
Forward currency contracts	-	28,274	-	28,274
Total assets as at 30 September 2023	**-**	**596,146,983**	**161,754,064**	**757,901,047**

Notes to the Unaudited Condensed Interim Financial Statements (continued)

for the period from 1 April 2023 to 30 September 2023

17. Fair Value Measurement (continued)

Liabilities	Level 1 £ (Unaudited)	Level 2 £ (Unaudited)	Level 3 £ (Unaudited)	Total £ (Unaudited)
Financial liabilities at fair value through profit or loss:				
Forward currency contracts	-	3,763,080	-	3,763,080
Total liabilities as at 30 September 2023	**-**	**3,763,080**	**-**	**3,763,080**

Assets	Level 1 £ (Audited)	Level 2 £ (Audited)	Level 3 £ (Audited)	Total £ (Audited)
Financial assets at fair value through profit or loss:				
Asset Backed Securities:				
Auto Loans	-	13,473,200	-	13,473,200
CLO	-	249,763,889	-	249,763,889
CMBS	-	34,835,106	-	34,835,106
Consumer ABS	-	14,143,352	-	14,143,352
CRE ABS	-	12,224,121	-	12,224,121
RMBS	-	202,733,570	207,207,308	409,940,878
Student Loans	-	5,005,424	-	5,005,424
Forward currency contracts	-	2,281,253	-	2,281,253
Total assets as at 31 March 2023	**-**	**534,459,915**	**207,207,308**	**741,667,223**

Liabilities	Level 1 £ (Audited)	Level 2 £ (Audited)	Level 3 £ (Audited)	Total £ (Audited)
Financial liabilities at fair value through profit or loss:				
Forward currency contracts	-	1,509	-	1,509
Total liabilities as at 31 March 2023	**-**	**1,509**	**-**	**1,509**

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. ABSs 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 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 2023 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 an independent valuation agent for certain other specific assets where the Portfolio Manager believes the independent valuation agent would provide more reliable, fair value information with regards to certain of the Company's investments for the year ended 30 September 2023. 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 arm'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 2023, investments (related primarily to RMBS/MBS investments) totalling 17.96% of the portfolio were valued by the independent valuation agent (31 March 2023: 21.73%). Valuations performed by the independent valuation agent are classified as Level 3. Please see Note 3 (ii) of the Audited Financial Statements for the year ended 31 March 2023 for the accounting policy outlining the treatment fair value of securities not quoted in an active market.

The table below represents the significant unobservable inputs, that have been deemed material, used in the fair value measurement of Level 3 investments, valued by an independent valuer, together with a quantitative sensitivity analysis as of 30 September 2023.

30 September 2023 (Unaudited)	Fair Value (£)	Financial Asset/ Liabilities	Unobservable Input	Sensitivity Used	Effect on Fair Value (£)
Dutch RMBS	42,344,788	Financial Asset	Discount Margin	+5% / -5%	6,629,900 / (5,280,879)
UK RMBS	55,470,700	Financial Asset	Discount Margin	+5% / -5%	6,071,758 / (4,613,494)
UK RMBS (underlying risk - AAA)	14,647,940	Financial Asset	Discount Margin	+3% / -3%	1,085,138 / (990,555)
UK RMBS	20,627,326	Financial Asset	Discount Margin	+2% / -2%	1,336,691 / (1,240,263)

31 March 2023 (Audited)	Fair Value (£)	Financial Asset/ Liabilities	Unobservable Input	Sensitivity Used	Effect on Fair Value (£)
Dutch RMBS	42,531,838	Financial Asset	Discount Margin	+5% / -5%	6,826,229 / (5,364,235)
UK RMBS	103,350,298	Financial Asset	Discount Margin	+5% / -5%	12,567,742 / (8,660,011)
UK RMBS (underlying risk - AAA)	14,782,507	Financial Asset	Discount Margin	+3% / -3%	1,429,217 / (1,223,561)

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.

Notes to the Unaudited Condensed Interim Financial Statements (continued)

for the period from 1 April 2023 to 30 September 2023

17. Fair Value Measurement (continued)

Level 3 assets that are priced based on prices from independent vendors are not required to be included in the above analysis, as the inputs into these prices are not developed by the Company and are not readily available.

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

The following tables present the movement in Level 3 instruments for the period ended 30 September 2023 and year ended 31 March 2023 by class of financial instrument.

	Opening balance	Total purchases	Total sales	Realised gains on Level 3 Investments held during the year ended 30 Sept 2023	Realised losses on Level 3 Investments held during the year ended 30 Sept 2023	Unrealised gains for the year for Level 3 Investments held at 30 Sept 2023	Unrealised losses for the year for Level 3 Investments held at 30 Sept 2023	Transfer into Level 3	Transfer out Level 3	Closing balance
	£ (Unaudited)	£ (Unaudited)	£ (Unaudited)	£ (Unaudited)	£ (Unaudited)	£ (Unaudited)	£ (Unaudited)	£ (Un-audited)	£ (Un-audited)	£ (Unaudited)
RMBS	207,207,308	36,183,926	(87,108,923)	2,110,286	(22,161,066)	31,392,954	(5,870,421)	-	-	161,754,064
Total at 30 Sept 2023	207,207,308	36,183,926	(87,108,923)	2,110,286	(22,161,066)	31,392,954	(5,870,421)	-	-	161,754,064

	Opening balance	Total purchases	Total sales	Realised gains on Level 3 Investments held during the year ended 31 March 2023	Realised losses on Level 3 Investments held during the year ended 31 March 2023	Unrealised gains for the year for Level 3 Investments held at 31 March 2023	Unrealised losses for the year for Level 3 Investments held at 31 March 2023	Transfer into Level 3	Transfer out Level 3	Closing balance
	£ (Audited)	£ (Audited)	£ (Audited)	£ (Audited)	£ (Audited)	£ (Audited)	£ (Audited)	£ (Audited)	£ (Audited)	£ (Audited)
RMBS	192,389,060	194,765,464	(158,397,907)	31,414,705	(25,738,076)	29,880,198	(57,106,136)	-	-	207,207,308
Total at 31 March 2023	192,389,060	194,765,464	(158,397,907)	31,414,705	(25,738,076)	29,880,198	(57,106,136)	-	-	207,207,308

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

18. 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 Shares. For these purposes, the Company'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.

Since 24 February 2023, the Company has maintained a dividend target of 8 pence, per Ordinary Share per annum. Between 21 September 2022 and 23 February 2023, the dividend target was 7 pence and prior to that it was 6 pence.

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.

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 Shares.

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 2023:

Period to	Dividend rate per Share (£)	Net dividend payable (£)	Ex-dividend date	Record date	Pay date
31 March 2023	0.0446	32,483,815	20 April 2023	21 April 2023	3 May 2023
30 June 2023*	0.0200	14,956,733	20 July 2023	21 July 2023	4 August 2023
		47,440,548			
30 September 2023*	0.0200	14,956,733	19 October 2023	20 October 2023	3 November 2023

*These dividends were declared in respect of distributable profit for the year ended 31 March 2024.

Notes to the Unaudited Condensed Interim Financial Statements (continued)

for the period from 1 April 2023 to 30 September 2023

19. Ultimate Controlling Party

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

20. Significant Events during the Period

Geopolitical events and global inflation levels have continued to dominate the economic landscape, with interest rate increases from all major central banks during the period, although this has slowed, with no raises from the ECB, Fed or BoE since the summer. A soft landing looks more likely than it did at the beginning of the period, but a recession cannot be ruled out. Employment levels in many developed countries have continued to remain high throughout the period.

The ongoing conflict in Ukraine continues to impact global foreign policy and economic activity, contributing to volatility, particularly in energy prices. After the end of the period, in early October, the situation in Israel and Gaza escalated significantly with the Hamas attacks and resulting Israeli military action in Gaza, and subsequent global government reactions dominating news flow.

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 this risk integrated within a robust ESG framework which is a major factor in the Portfolio Manager's investment analysis. The Board continues to evaluate which ESG aspects the Company will consider reporting, based on the regulatory requirements of the Company and developing best practice in the Company's sector.

21. Subsequent Events

These Unaudited Condensed Interim Financial Statements were approved for issuance by the Board on 23 November 2023. Subsequent events have been evaluated until this date.

On 12 October 2023, a dividend of 2.00p per share was declared, which was paid on 3 November 2023.

As at 23 November 2023, the published NAV per Ordinary Share for the Company was 102.25p. This represents a decrease of 0.45% (NAV as at 30 September 2023: 102.71p).

Glossary of Terms and Alternative Performance Measures

Alternative Performance Measures ("APMS")
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 in the annual report and accounts, is unaudited and outside the scope of IFRS.

Discount/Premium
If the share price of an investment company is lower than the NAV per 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 share and is usually expressed as a percentage of the NAV per share. If the share price is higher than the NAV per share, the shares are said to be trading at a premium.

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. Until 21 September 2022, the Company aimed to declare a fixed dividend of 1.50 pence. On 21 September 2022, the fixed dividend increased to 1.75 pence and on 24 February 2023, it further increased to 2.00 pence per Ordinary Share. A final dividend declared in respect of March where the residual income for the year is distributed.

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 a dividend in the Reporting Period of 6 pence per Ordinary Share and in each subsequent Reporting discretion from time to time, with all excess income being distributed to investors at the period/year end of the Company.

Net Asset Value ("NAV")
NAV is the net assets attributable to Shareholders. NAV is calculated using the accounting standards specified by International Financial Reporting Standards ("IFRS") and consists of total assets, less total liabilities.

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 £768,124,585 (31 March 2023: £724,982,762) by the number of shares at the end of the period of 747,836,661 units (31 March 2023: 718,036,661). This produces a NAV per share of 102.71p (2023: 100.97p), which was an increase of 1.72%.

Ongoing Charges
The ongoing charges represent the Company'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.

Total Return per Ordinary Share
Total return per Ordinary Share is calculated by adding the increase or decrease in NAV per share with the dividend per share and dividing it by the NAV per share at the start of the period/year.

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 period and divided by closing book cost for the period, stated as a percentage.

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.

Corporate Information

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John de Garis
Joanne Fintzen (Senior Independent Director)
Paul Le Page
John Le Poidevin
Richard Burwood (retired 14 September 2023)

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