



2024

TwentyFour Select Monthly Income Fund Limited

Interim Management
Report and Unaudited
Condensed Interim
Financial Statements

For the period from 1 October 2023 to 31 March 2024

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Corporate Information

Directors

Ashley Paxton (Chair)
Sharon Parr
Wendy Dorey
Richard Class (appointed 1 November 2023)

Registered Office

PO Box 255
Trafalgar Court
Les Banques
St Peter Port
Guernsey, GY1 3QL

Portfolio Manager

TwentyFour Asset Management LLP
8th Floor, The Monument Building
11 Monument Street
London, EC3R 8AF

Alternative Investment Fund Manager

Apex Fundrock Limited
Hamilton Centre
Rodney Way
Chelmsford, CM1 3BY

Custodian, Principal Banker and Depository

Northern Trust (Guernsey) Limited
PO Box 71
Trafalgar Court
Les Banques
St Peter Port
Guernsey, GY1 3DA

Administrator and Company Secretary

Northern Trust International Fund Administration
Services (Guernsey) Limited
PO Box 255
Trafalgar Court
Les Banques
St Peter Port
Guernsey, GY1 3QL

Receiving Agent

Computershare Investor Services PLC
The Pavillions
Bridgewater Road
Bristol, BS13 8AE

UK Legal Adviser to the Company

Eversheds Sutherland (International) LLP
One Wood Street
London, EC2V 7WS

Guernsey Legal Adviser to the Company

Carey Olsen (Guernsey) LLP
Carey House
Les Banques
St Peter Port
Guernsey, GY1 4BZ

Independent Auditor

PricewaterhouseCoopers CI LLP
PO Box 321
Royal Bank Place
Glategny Esplanade
St Peter Port
Guernsey, GY1 4ND

Registrar

Computershare Investor Services (Guernsey) Limited
1st Floor
Tudor House
Le Bordage
St Peter Port
Guernsey, GY1 1DB

Financial Adviser and Corporate Broker

Numis Securities Limited
45 Gresham Street
London, EC2V 7BF

Financial Highlights

Net Asset Value per Share

As at 31 March 2024

81.18p

As at 30 September 2023

75.44p

As at 31 March 2023

72.83p

Share Price

As at 31 March 2024

83.10p

As at 30 September 2023

75.60p

As at 31 March 2023

72.90p

Total Net Assets

As at 31 March 2024

£197.73 million

As at 30 September 2023

£181.69 million

As at 31 March 2023

£177.54 million

Total Return

For the period ended 31 March 2024

13.87%

For the year ended 30 September 2023

17.54%

For the period ended 31 March 2023

9.00%

Dividends Declared

For the period ended 31 March 2024

3.25p

For the year ended 30 September 2023

7.37p

For the period ended 31 March 2023

3.00p

Average Premium

For the period ended 31 March 2024

0.70%

For the year ended 30 September 2023

0.03%

For the period ended 31 March 2023

1.97%

Shares in Issue (excluding treasury shares)

As at 31 March 2024

243.57 million

As at 30 September 2023

240.82 million

As at 31 March 2023

243.76 million

Portfolio Performance

For the period ended 31 March 2024

12.19%

For the year ended 30 September 2023

12.26%

For the period ended 31 March 2023

4.97%

Number of Positions in the Portfolio

As at 31 March 2024

159

As at 30 September 2023

161

As at 31 March 2023

152

Definition of the above measures can be found in the Glossary of Terms and Alternative Performance Measures on page 41.

As at 6 June 2024, the premium had moved to 2.00%. The estimated NAV per share and share price stood at 81.96p and 83.60p, respectively.

Ongoing Charges

Ongoing charges have been calculated in accordance with the Association of Investment Companies (the "AIC") recommended methodology. The ongoing charges for the period ended 31 March 2024 were 1.23% (31 March 2023: 1.22%) on an annualised basis.

Summary Information

The Company

TwentyFour Select Monthly Income Fund Limited (the “Company”) was incorporated with limited liability in Guernsey, as a closed-ended investment company on 12 February 2014. The Company’s Shares were listed with a Premium Listing on the Official List of the UK Listing Authority and admitted to trading on the Main Market of the London Stock Exchange (“LSE”) on 10 March 2014.

Investment Objective and Investment Policy

The Company’s investment objective is to generate attractive risk adjusted returns, principally through income distributions.

The Company’s investment policy is to invest in a diversified portfolio of credit securities.

The portfolio can be comprised of any category of credit security, including, without prejudice to the generality of the foregoing, bank capital, corporate bonds, high yield bonds, leveraged loans, payment-in-kind notes and asset-backed securities and can include securities of a less liquid nature. The portfolio is dynamically managed by TwentyFour Asset Management LLP (“TwentyFour” or the “Portfolio Manager”) and, in particular, is not subject to any geographical restrictions.

The Company maintains a portfolio diversified by issuer and comprises at least 50 credit securities. No more than 5% of the portfolio value will be invested in any single credit security or issuer of credit securities, tested at the time of making or adding to an investment in the relevant credit security. The Company may hold up to 10% in cash but works on the basis of an operational limit of 5% and any uninvested cash, surplus capital or assets may be invested on a temporary basis in:

- cash or cash equivalents, money market instruments, bonds, commercial paper or other debt obligations with banks or other counterparties having a “single A” or higher credit rating as determined by any internationally recognised rating agency which may or may not be registered in the EU; and
- any “government and public securities” as defined for the purposes of the Financial Conduct Authority (the “FCA”) Rules.

Efficient portfolio management techniques are employed by the Company, and may include currency and interest rate hedging and the use of other derivatives to manage key risks such as foreign exchange movements, interest rate sensitivity and to mitigate market volatility. The Company’s currency hedging policy will only be used for efficient portfolio management.

The Company does not employ gearing or derivatives for investment purposes. The Company may use borrowing for short-term liquidity purposes, which could be achieved through arranging a loan facility or other types of collateralised borrowing instruments including repurchase transactions and stock lending. The Articles restrict the borrowings of the Company to 10% of the Company’s Net Asset Value (“NAV”) at the time of drawdown. No arrangements for borrowing are currently in place.

At launch, the Company had a target net total return on the original issue price of between 8% and 10% per annum. This comprised a target dividend payment of 6p per share per annum and a target capital return of 2p-4p per annum, both based on the original issue amount of 100p. Whilst there is no guarantee that this can or will be achieved, the 6p per share Dividend Target has consistently been met. Refer to note 18 to the Unaudited Condensed Interim Financial Statements for details of the Company’s dividend policy.

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

Shareholder Information

Apex Fundrock Limited (“AFL” or the “AIFM”) is responsible for calculating the NAV per share of the Company. Whilst AFL has delegated this responsibility to Northern Trust International Fund Administration Services (Guernsey) Limited (the “Administrator”), they still perform an oversight function.

The unaudited NAV per Ordinary Share is calculated as at the close of business on every Wednesday that is also a business day, as well as the last business day of every month and announced by the Regulatory News Service the following business day.

Chair's Statement

for the period from 1 October 2023 to 31 March 2024



As Chair to the TwentyFour Select Monthly Income Fund Limited Board of Directors, I am delighted to present my report on the Company's progress for the six month period ended 31 March 2024 (the "period").

Market Overview

The period to end of March 2024 was once again dominated by central banks' activity. With the Federal Reserve ("Fed") raising the Federal Fund Rate to 5.25-5.5% in 2023 the market was waiting with anticipation as to when the cutting cycle would begin and then how quickly it would continue. Inflation demonstrated encouraging trends at the end of 2023 leading to the markets pricing in over six rate cuts for 2024. However, with inflation proving to be more sticky and US growth remaining robust for the first few months of 2024 the expected number of cuts for 2024 more than halved.

Elsewhere, whilst a similar inflationary pattern was seen across the eurozone and the UK, growth numbers were much weaker in these geographies. As a result, more cuts have been priced in for the European Central Bank ("ECB") and the Bank of England ("BoE") now than the Fed, with the ECB kicking off the first cut on 6 June.

The period saw geopolitical tensions increase globally. October saw the attack by Hamas on Israel and consequently we have seen Israel's ground assault in retaliation, flaring pressures in the region and also causing volatility in oil prices. The US and China have reignited hawkish rhetoric of tariffs on each other, meanwhile the Russia and Ukraine war continues to impact the macro environment.

Throughout this time, interest rates have been the source of most volatility with credit performing particularly well.

Outlook

The question of when and how fast central banks will cut rates remains the pertinent topic for the coming months, and for this reason inflation and jobs data will likely drive performance. In the

meantime, fixed income is still providing historically high starting yields and the portfolio incorporates the Portfolio Manager's favoured sectors, names and bonds to optimise future performance.

Share Activity

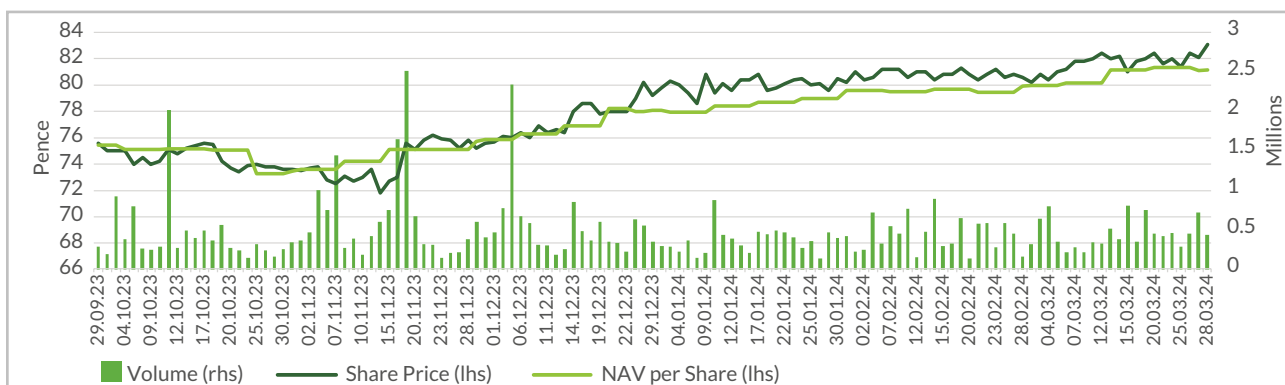
In contrast to the wider investment company market, which saw many companies of the Main Market of the LSE trading at large discounts, the Company traded close to NAV for the majority of the period, at an average of 0.70% premium.

In respect of the quarter ended 30 September 2023, 1,039,168 shares were submitted for tender at a price of 73.90p per share, a discount to the relevant NAV of 75.44p per share, of which 539,168 were successfully placed or purchased by the Company's Financial Adviser and Corporate Broker, Numis Securities Limited ("Deutsche Numis"), whilst the Company repurchased the residual 500,000 shares, taking them into Treasury in October 2023.

A total of 532,836 shares were submitted for tender in the 31 December 2023 quarterly tender offer at a price of 78.40p per share, a premium to the relevant NAV of 78.10p per share, and these shares were subsequently successfully placed by Deutsche Numis.

Similarly, in respect of the quarter ended 31 March 2024, 155,140 shares were submitted for tender at a price of 82.40p per share, a premium to the relevant NAV of 81.14p per share, all of which were successfully placed by Deutsche Numis in April 2024.

At the start of the period 3,439,187 shares were held in treasury. Due to the availability of accretive assets for purchase, and because of shareholder demand, the Company issued 3,250,000 shares from treasury during the period. As at the end of the period 689,187 shares were held in treasury, and as at 10 June 2024, there are no remaining shares in treasury. All treasury shares have been accretive to the Company having been reissued at a premium to their purchase price and to NAV at the time of reissue.



Return

On formation, the Company's objective was to generate a return of 8-10% with a 0.5p per share dividend payment each month, with the Board's intention that the balance of excess income (as defined in note 18 to the Unaudited Condensed Interim Financial Statements) for the financial year would be paid within the final monthly dividend. As we reached the 10th anniversary of the Company's Initial Public Offering in March this year, it is pleasing to note that it has met or exceeded its Dividend Target every financial year.

The Company declared dividends for the period to 31 March 2024 of 3.25p per share, with the final dividend declared for March of 0.75p per share, reflecting both the regular 0.5p per share monthly dividend, and an additional 0.25p per share to reflect the additional income earned by the Company's portfolio during the period. This is explained further below.

During the period, the NAV per share saw an increase from 75.44p to 81.18p, a rise of 7.61%, and NAV Total Return per Share for the period was 13.87%. This, together with the favourable net increase in share capital noted above, meant the Company saw a very positive increase in net assets from approximately £181.7m to £197.7m over the period.

Dividend Policy

The Board and the Portfolio Manager are very focused on the sustainability of the Company's dividend policy, regularly monitoring and reviewing the position and a Committee of the Board meets each month to review and approve the monthly payment of 0.5p per share. The Portfolio Manager is confident that due to the ongoing yields available in the market generally, the current monthly Dividend Target of 0.5p per share remains achievable (even though there is no guarantee that the Company will be able to continue distributing 0.5p per share per month in the years ahead).

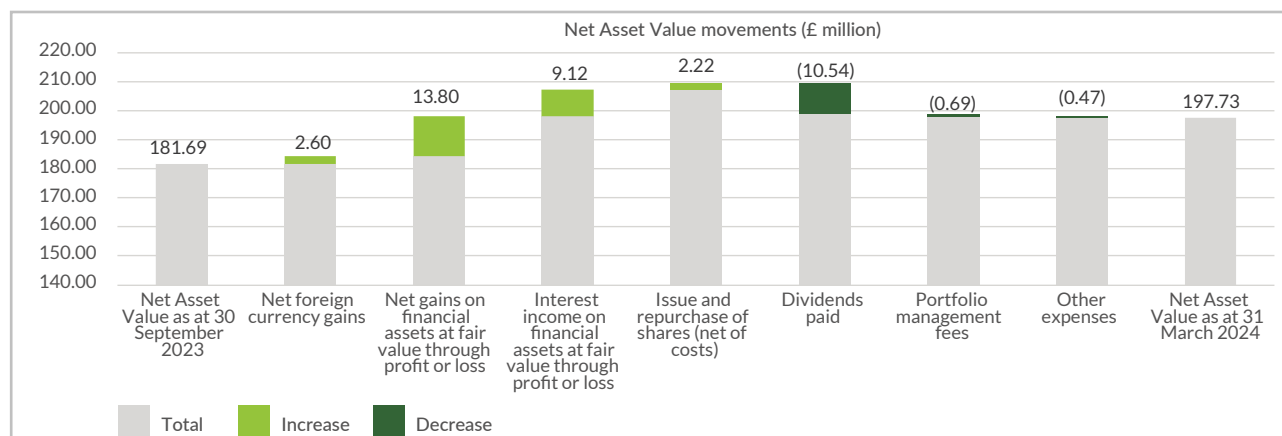
Further to the distribution of higher excess income announced in October 2023 for the September 2023 dividend, the Board, along with the Portfolio Manager, considered whether the Company could spread excess income earned during this or future periods through increased dividend payments.

Given the ongoing interest rate environment, careful consideration was given to the Company's projected income for the year balanced against the Board's assessment of risks inherent in achieving its target dividend payment of 6p per share per annum. Based on this analysis, the Board believed that dividends payable in respect of the year ending 30 September 2024 would be likely to be in excess of 6.5p per share. They consequently believed it appropriate to pay an additional 0.25p per share, in addition to its regular monthly targeted dividend of 0.5p per share, for the period ended 31 March 2024 to reward investors for their loyalty over the course of the year.

At the date of approving these interim accounts, the Board still believes this to be the case and will continue to monitor the position during the remainder of the year ending 30 September 2024. Where possible to do so, the Board will provide updates on its dividend expectations for the year.

Environmental, Social and Governance ("ESG")

The Board recognises the importance of ESG factors in investment management and in wider society, and has appointed the Portfolio Manager to advise it in relation to all aspects relevant to the Portfolio. Throughout the period, the Portfolio Manager has continued to work extensively with issuers to improve disclosures, and have also extended their proprietary ESG scoring model to cover ABS-specific metrics, meaning ESG data is factored in to every level of the investment process.



Chair's Statement (continued)

In keeping with the Board's expectation that ESG factors be taken into account, the Portfolio Manager has a formal ESG framework which incorporates ESG factors into its investment process. The Portfolio Manager has an ESG Committee representing all areas of its business, reporting into its Executive Committee. The Portfolio Manager is a signatory to the UK Stewardship Code and the UN's Principles for Responsible Investment, and has long term commitments to industry bodies working to develop industry guidelines and standards to promote transparency by issuers.

In addition to this 'top-down' engagement at the industry level, the Portfolio Manager is committed to extensive 'bottom-up' engagement on behalf of themselves and clients. The ongoing due diligence is key to understanding the evolution of risks in

the markets invested in, rather than just in relation to evaluating a specific transaction. External ESG factors are related to the debt issuers of transactions and are assessed through a combination of internal and third-party data.

Annual General Meeting

The Company's 2024 Annual General Meeting ("AGM") will be held on 8 August 2024 at the office of Northern Trust International Fund Administration Services (Guernsey) Limited, Trafalgar Court, Les Banques, St Peter Port, Guernsey, Channel Islands at midday.

Ashley Paxton
Chair
10 June 2024



Portfolio Manager's Report

for the period from 1 October 2023 to 31 March 2024

In our capacity as Portfolio Manager to the TwentyFour Select Monthly Income Fund Limited, we are pleased to present our report on the Company's progress for the period ended 31 March 2024.

The 10-year US Department of the Treasury ("UST") yield reached ~5.00% in October 2023 as a result of a growing soft-landing narrative driven by data and central bank rhetoric, in addition to concerns from the market about the lingering US budget deficit and perhaps a need for a term premium to compensate for the volatility investors currently face. This instability of the underlying Government curve also spread into risk markets.

However, things changed quickly in November 2023 as US inflation came in below expectations with Consumer Price Index ("CPI") at 0% month on month ("MoM") and 3.2% year on year ("YoY"); this, along with an employment print which came in lower than expected, led to a sharp rally in rates. With November's inflation data also showing encouraging signs in Europe and the UK, markets began to price cuts in for 2024 across all the major central banks, resulting in yields falling across all curves. Subsequently, we saw a tightening in credit spreads too.

Whilst the US Federal Reserve's ("Fed") statement and forecasts in their December 2023 meeting were similar to previous meetings, it was the Chair of the Fed, Jerome Powell's, comments in the subsequent press conference that the Federal Open Market Committee ("FOMC") had discussed the potential of cutting rates that saw a further huge rally across the Treasury curve and rates markets in general. By the end of 2023 the market was pricing in 6 rate cuts for the US, Europe and the UK. Meanwhile, the benchmark 10-year issues reached low yields of 3.8% in Treasuries, 2% in Bunds and 3.5% in Gilts.

As we moved into 2024, however, there was a significant upwards move in government bond yields as markets began pricing in higher for longer base rates in the US amid continuing signs of sticky inflation, strong economic growth and a robust domestic labour market. Headline inflation printed above market expectations in each of the first three months of the year in the US as YoY CPI ticked up to +3.5% in March and progress on the battle against inflation slowed. The sustained strength of the US consumer has been largely driven by a resilient labour market, with the unemployment rate staying below 4%. This led investors to price out several rate cuts by the Fed in 2024 to fewer than three, with some commentators saying there may not be any cuts at all this year. Consequently, the 10-year US Treasury yield rose to 4.2% by the end of March.

The path to rate cuts is much clearer in Europe given the steady decline in inflation and an increasingly weak growth environment. YoY headline CPI fell to +2.4% by March and now sits only marginally above the European Central Bank's ("ECB") 2% target, whilst economic growth has slowed in Germany and other European nations. As expected, the ECB was the first mover among the major central banks to begin cutting rates, announcing on 6 June 2024 the new base rate of 3.75%. The market reaction was muted as the cut was largely anticipated, having been well signalled. In the UK, April saw headline inflation had come down steadily to +2.3% on a YoY basis, following the Office of National Statistics confirming in February that the UK had previously entered a technical recession in H2 2023. As a result, the Bank of England is also expected to begin its cutting cycle in the coming months.



Portfolio Manager's Report (continued)



Although government bond yields moved higher, the overall strong macro economic environment was very supportive of credit in general, with spreads rallying to tighter levels in most cases. The Company's portfolio does not have exposure to global rates markets, so the move higher in yields did not have a direct negative impact. The tightening spread environment however, was very beneficial and the risk-on nature of the Company's portfolio meant it performed well during the Period. CLOs, which are floating rate, continuing to perform strongly, while AT1s continued to rally, as issuing banks called their bonds on the first call date, meaning sentiment for the sector continued to recover following the Credit Suisse writedowns last year.

Performance Review

The Company's portfolio returned 13.87% Total Return per Share for the period, with the best performing sectors being Insurance and collateralised loan obligations ("CLOs") which returned 16.68% and 15.88% respectively, benefitting from high starting yields and spread compression. The lowest performers were US High Yield and non-CLO ABS which returned 9.18% and 8.77% respectively; however, every sector had a positive total return for the period.

Portfolio Allocation

The team marginally increased the credit quality of the portfolio as they switched out of US and European High Yield into Investment Grade and Financials as High Yield experienced spread compression and began to look fairly tight relative to historic levels. Furthermore, we continued to conduct relative value switches to ensure that they were in both the optimal issuers and duration of bonds as the underlying yield curves saw fluctuations. The team extended duration in their favoured names in the portfolio as yields are at historically high levels, particularly in times of volatility such as October 2023 when yields looked very attractive.

Outlook

Data, in particular inflation and labour data, continue to drive market sentiment as market participants assess the timing and pace of the cutting cycles from the major central banks. Our default expectations continue to be in the 2-3% range for euro High Yield, meaning investors are being very well compensated at current yields, but idiosyncratic stories could continue to increase as higher yields negatively impact borrowing costs.

In late May, the latest UK inflation data was released, showing a fall nearly to the 2% target. It was swiftly followed by the announcement of a general election called for 4 July 2024. With the current macro environment and the fact both main parties are bound by fiscal rules to limit borrowing and debt, we expect relatively limited impact on inflation and the subsequent decision by the BoE of when to cut rates, but we continue to remain sensitive to the impact of the election on markets. Meanwhile, in the US, the Republican Presidential candidate Donald Trump was found guilty of 34 felony counts, although its impact on the November election result remains to be seen. In France, President Macron called emergency parliamentary elections after the European elections showed right-wing populists making large gains across the bloc, leading him to dissolve the National Assembly and gamble on national polls.

We will continue to optimise the portfolio using both the primary and secondary markets as attractive opportunities present themselves. The focus remains on maintaining a robust credit quality in the portfolio and we believe both subordinated financials and CLOs offer attractive yields for their credit quality.

TwentyFour Asset Management LLP
10 June 2024

Top Twenty Holdings

as at 31 March 2024

	Nominal/ Shares	Credit Security # Sector	Fair Value * £	Percentage of Net Asset Value %
Nationwide Building Society 10.25 29/06/2049	40,960	Financial - Banks	5,567,910	2.82
Armada Euro Clo 15/07/2033	4,000,000	ABS	3,392,909	1.72
Rothsay Life 6.875 31/12/2049	3,542,000	Financial - Insurance	3,350,945	1.69
Arbour Clo II FRN 15/04/2034	4,000,000	ABS	3,236,661	1.64
Natwest Group PLC F2V perp	3,600,000	Financial - Banks	3,093,276	1.56
Avoca Clo XIII FRN 15/04/2034	3,500,000	ABS	2,953,801	1.49
Santander UK PLC 10.375%	2,000,000	Financial - Banks	2,778,156	1.41
UnipolSai Assicurazioni, 6.375% perp	3,100,000	Financial - Insurance	2,659,934	1.35
Banco de Sabadell, 5% perp	3,400,000	Financial - Banks	2,650,390	1.34
Intesa Sanpaolo 6.375 31/12/2049	3,110,000	Financial - Banks	2,637,654	1.33
Syon Securities Frn 17/12/2027	2,546,147	ABS	2,563,930	1.30
Phoenix Group 5.75 31/12/2049	2,780,000	Financial - Insurance	2,503,938	1.27
Direct Line Insurance, 4.75% perp	2,900,000	Financial - Insurance	2,390,665	1.21
St Pauls Clo 25/04/2030	2,835,000	ABS	2,311,014	1.17
UniCredit SpA, 4.45% perp	2,900,000	Financial - Banks	2,292,872	1.16
Investec 10.5% FRN perp	2,150,000	Financial - Banks	2,262,872	1.14
Volksbank Wien-baden A.G 7.75 31/12/2049	2,600,000	Financial - Banks	2,223,013	1.12
VSK Holdings Limited VAR 31/7/2061	309,000	ABS	2,174,052	1.10
Societe Generale, 7.875% perp	2,400,000	Financial - Banks	2,151,370	1.09
Providus Clo II FRN 15/07/2031	2,500,000	ABS	2,080,790	1.05
Total			55,276,152	27.96

* Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Asset-backed securities ("ABS"). All other securities are Corporate Bonds.

The full portfolio listing of bonds and ABS as at 31 March 2024 can be obtained from the Administrator on request.

Board Members

Biographical details of the Directors as at date of signing are as follows:



Ashley Paxton – (Chair)

Mr Paxton was appointed as a Director to the Company on 1 November 2021 becoming its Chair on 11 August 2023.

Ashley spent the majority of his career with KPMG having retired as partner and its Channel Islands Head of Advisory in 2019. He has developed a wide breadth of

experience from working within practice, beginning in audit and then building a dedicated advisory team to provide a full taxonomy of advisory services across the Channel Islands. Ashley gave specific focus to developing value creation and preservation strategies for his clients, typically through mergers and acquisitions.

Ashley currently holds a number of non-executive directorships across the financial services sector including a number of companies listed on the London Stock Exchange. He also plays an important role in the local third sector as Chair of the Youth Commission for Guernsey & Alderney.

A resident of Guernsey, Ashley is a Fellow of the Institute for Chartered Accountants in England & Wales and holds an Economics degree from the University of Warwick.



Sharon Parr – (Audit Chair, non-executive Director)

Ms Parr was appointed to the Board on 1 November 2022 and was appointed Chair of the Audit Committee and Chair of the Remuneration and Nomination Committee on 11 August 2023.

Ms Parr has over 35 years in the finance industry and spent a significant portion of her

professional career with Deloitte and Touche in a number of different countries. After a number of years in the audit department, on relocating to Guernsey in 1999 she transferred to their fiduciary and fund management business and, after completing a management buyout and subsequently selling to Barclays Wealth in 2007, she ultimately retired from her role there as Global Head of Wealth Structuring in 2011.

Ms Parr holds a number of Non-Executive Directorships across the financial services sector including in other listed funds.

Ms Parr is a Fellow of the Institute of Chartered Accountants in England and Wales and a member of the Society of Trust and Estate Practitioners, and is a resident of Guernsey.



Wendy Dorey – (non-executive Director)

Ms Dorey was appointed to the Board on 1 February 2023 and is Chair of the Management Engagement Committee.

Ms Dorey has over 25 years' experience in the financial services industry, working for a number of leading asset managers including Robert Fleming, Friends Ivory &

Sime, M&G Asset Management and BNY Mellon. She started her career in investment marketing and distribution, winning a number of awards for her campaigns to direct investors and the Intermediary market. She was latterly head of business strategy and planning for M&G, where she lead a number of corporate restructuring projects and product development initiatives.

Since becoming a resident of Guernsey, Ms Dorey has taken on a portfolio of executive and non-executive roles. This includes being a Director of an investment consulting firm and holding Non-Executive Directorships in a leading Wealth Management firm and an AIM-listed fund. She was also appointed as a Commissioner for the Guernsey Financial Services Commission (GFSC) in 2015.

Ms Dorey is a Fellow of the Institute of Directors and qualified as a Chartered Director in 2020. She was, until May 2023, the Chair of the Guernsey Branch of the Institute of Directors.



**Richard Class –
(non-executive Director)**

Mr Class was appointed to the Board on 1 November 2023.

Mr Class' career spans more than thirty years in the financial services sector. Over more than a decade at Morgan Stanley, he was Managing Director and Head of EMEA Business Development for Fixed Income, and

also a portfolio manager for their fixed income portfolios with assets totalling €7 billion. Prior to that, he was a Board Director and trainer at BG Consulting, a financial products training and development company. He began his career as a fixed income derivatives trader in interest rates and FX products at Rabobank and Morgan Grenfell. He is currently a senior advisor to OptimX, which helps clients to reduce the costs of using financial markets, and is also a senior mentor.

Mr Class has a Mathematics degree from Oxford University, and is a resident of the United Kingdom.



Statement of Principal Risks and Uncertainties

The principal risks assessed by the Board relating to the Company were disclosed in the Annual Report and Audited Financial Statements for the year ended 30 September 2023. A detailed explanation of these can be found in the annual report.

The Board and Portfolio Manager consider these risk categories remain relevant for the six months covered by this report as well as the remaining six months of the financial year.

Market risk

The Company invests in credit securities which are subject to market risk, including the potential for both losses and gains from price risk, reinvestment risk, interest rate risk, and foreign currency risk. These are discussed in detail in note 16 to the Company's Annual Report and Audited Financial Statements for the year ended 30 September 2023.

The underlying investments comprised in the portfolio are subject to price 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 which are valued on a mark to market and mark to model basis. Price risk is risk associated with changes in market prices or rates, including interest rates, availability of credit, inflation rates, economic uncertainty, changes in laws, national and international political circumstances. The Company's policy is to manage price risk by holding a diversified portfolio of assets, through its investments in credit securities.

The Company's continuing position in relation to interest rate and duration 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. The Company may also use swap contracts to mitigate the effects of market volatility on interest rate risk. There were no swaps held as at 31 March 2024.

Given the Company's exposure to investments denominated in currencies other than sterling, the Company is exposed to foreign currency risk. The Company manages its exposure to currency movements by using spot and forward foreign exchange contracts, which are rolled forward periodically and typically for a period of one month.

Each quarter, the Board formally reviews the investment performance reports, and amortisation schedules (setting out upcoming maturities for monitoring cashflow available for reinvestment) provided by the Portfolio Manager. The Board

also considers the impact of economic volatility and of heightened geopolitical tensions on the Company's performance.

Credit risk

The Company invests in credit securities issued by other 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 and also may expose the Company to more structural risk.

Each quarter, the Board formally considers portfolio credit analysis presented to it by the Portfolio Manager.

Liquidity risk

Substantially all of the assets of the Company are invested in credit securities. These may be illiquid and this may limit the ability of the Company to realise its investments for the purposes of cash management, including any needs arising for dividend payments, buying back Ordinary Shares under the Quarterly Tender process or in the market. There may be no active market in the Company's interests in credit securities and the Company may be required to provide liquidity to fund Tender Requests or repay any borrowings. The Company does not have redemption rights in relation to any of its investments. As a consequence, the value of the Company's investments may be materially adversely affected.

The Company has the authority to arrange a Revolving Credit Facility of up to 10% of NAV to fund short-term liquidity requirements. This arrangement has been provided in the past by the Company's Principal Banker and could be re-instated in the future subject to the prior agreement of the Principal Banker. Each quarter, the Board formally reviews documentation provided by the Portfolio Manager pertaining to liquidity risk and assesses any action which may be required.

Valuation of investments

The Company's investments had a fair value of £194,275,481 as at 31 March 2024 (30 September 2023: £176,435,682) which are the key constituent of the Company's net assets. There has been no change to the accounting policy applied to how these investments have been valued and the use of an independent third-party valuation expert was used to value approximately 3.4% of the Company's investments at 31 March 2024 (30 September 2023: 3.2%).

Income recognition risk

Interest income is recognised on a time-proportionate basis using the effective interest rate method. Discounts received or premiums paid in connection with the acquisition of credit securities are amortised into interest income using the effective interest rate method over the expected life of the related security.

When calculating the effective interest rate, the Portfolio Manager estimates cash flows considering the expected life of the financial instrument, including future credit losses and deferred interest payments. The calculation includes all fees paid or received between parties to the contract that are an integral part of the effective interest rate and all other premiums or discounts.

Revenue estimations are sensitive to changes in interest income resulting from financial instruments defaulting. Interest income represents the Portfolio Manager's best estimate having regard to historical volatility and looking forward at the global environment.

The Board's assessment of income recognition risk has not changed during the period.

Dividends

The Company has a Dividend Target of 6p per share for each financial year, and the Board consequently targets a minimum monthly dividend of 0.5p per share. If the Dividend Target was not able to be met in a year or the Board considers that it should be reduced, a Continuation Resolution would be put to Shareholders.

In addition to the Dividend Target the Board intends, with the final monthly dividend for each financial year, to distribute an amount equal to the value of any unaudited excess income of the Company for that financial year remaining after payment of the monthly dividends. The Board may also elect to approve an additional interim amount per share if the Company is exceeding its dividend target.

The Board meets each month to consider the approval of a monthly interim dividend and in respect of the final monthly dividend for each financial year any additional amount noted above.

As the Dividend Target is central to the Company's purpose, the Board and the Portfolio Manager are very focused on the sustainability of the dividend and regularly monitor and review

the position. The Portfolio Manager is confident that due to the continuing improvement in yields in the market as a result of the higher interest rate environments, the Dividend Target remains achievable.

The Company's ability to pay dividends is governed by Guernsey company law which requires the Company to satisfy the prescribed statutory solvency test, which the Board formally considers at each monthly meeting prior to approving each dividend payment. If at the time a dividend is to be made the Board believes that the solvency test cannot be passed, then no payment will be made.

Quarterly tenders

The Company has incorporated into its structure a mechanism for a quarterly tender minimising the risk of Ordinary Shares trading at a significant discount to NAV. The Company offers a tender on a quarterly basis for up to 20% of the Ordinary Shares in issue as at the relevant Quarter Record Date, subject to an aggregate limit of 50% of the Ordinary Shares in issue in any twelve-month period ending on the relevant Quarter Record Date. In the event that quarterly tender applications, on any tender submission deadline, exceed the 50% limit, the Board will convene a General Meeting in accordance with the Continuation Vote requirements set out in note 16 to the Company's Annual Report and Audited Financial Statements for the year ended 30 September 2023. The execution and acceptance of the quarterly tenders is at the sole discretion of the Board.

A key consideration for the ongoing viability of the Company is therefore its liquidity assessment which is considered on an ongoing basis by the Board. No liquidity concerns were identified for the period ended 31 March 2024 and the Board and Portfolio Manager are confident that under anticipated market conditions the Company can continue to meet tender requests as they arise.

During the period, 1,572,004 shares were tendered. 1,072,004 shares were initially purchased by the Corporate Broker and subsequently placed with investors, while 500,000 shares were repurchased by the Company and are held in Treasury as at 31 March 2024. On 5 April 2024, a further 155,140 shares were purchased by the Corporate Broker and then placed with investors in respect of the 28 March 2024 tender. Post period-end date, there continues to be healthy demand for shares in the Company, with 7,400,000 shares issued by 10 June 2024.

Statement of Principal Risks and Uncertainties (continued)

Shareholder base

The Corporate Broker has limited ability to engage with all investor types and non-institutional investors now form a large shareholder group. This group is often more active on a daily basis than passive institutional holders, and with turnover in the shares relatively low, have an important marginal price impact. This could cause the price to be especially volatile during periods when market maker capital is constrained, and information flow is poor. As engagement with this group of shareholders is difficult, the Company shares could suffer from periods of short-term market volatility.

The Board utilises the Corporate Broker and media to monitor Shareholders' opinions and identify potential issues. The Board is reviewing avenues to better engage with all shareholder groups and in doing so has to weigh up the cost of this against the long-term benefits. To help limit this risk, subject to market conditions and cost benefit factors, the Board actively utilises its buyback Treasury capacity and ability to sell shares through taps directly into the market.

Other risks and uncertainties

The Board has identified the following other risks and uncertainties along with steps taken to monitor (and mitigate where appropriate/possible):

Operational risks

The Company does not have executive directors or employees. It has entered into contractual arrangements with a network of third parties (the "Service Providers") who provide services to it. The Board, through the Management Engagement Committee (the "MEC"), undertakes annual due diligence on, and ongoing monitoring of, all such Service Providers including obtaining a confirmation that each such Service Provider complies with relevant laws regulations, good practice, delivers value for money and has environmental, social and governance policies in place.

The Company is exposed to the risk arising from any failures of systems and controls in the operations of the Service Providers. The Board and its Audit and Risk Committee regularly review reports from the Portfolio Manager, the AIFM, Administrator and Custodian and Depository on their internal controls. The Administrator will report to the Portfolio Manager any valuation issues which will be brought to the Board for final approval as required.

The Company is exposed to cyber-attack risk through its Service Providers. Through the MEC, the Company asks its Service Providers to confirm that they have appropriate

safeguards in place to mitigate the risk of cyber-attacks and remote working (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. Due to COVID-19, Service Providers adopted a work from home arrangement. Since that time, some Service Providers have continued to work from home from time to time. None of the Service Providers have reported any problems regarding cyber security when questioned by the MEC.

The Board's assessment of operational risks has not materially changed during the period and is satisfied that the Service Providers have the relevant controls in place to manage operational risks.

Accounting, legal and regulatory risks

The Company is exposed to the risk that it may fail to maintain accurate accounting records, 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 and Depository and the Financial Adviser and Corporate Broker provide regular updates to the Board on compliance with the Admission document and changes in regulation. Changes in legal or regulatory environments can have a major impact on some classes of debt. The Portfolio Manager and Board monitor this and take appropriate action where needed.

The Board's assessment of accounting, legal and regulatory risk has not changed during the period.

Climate risk

The Financial Stability Board ("FSB") formed the Task Force on Climate-related Financial Disclosures ("TCFD") in December 2015 to address the impact climate change is having on companies and the global financial system through disclosure. On 2 July 2019, the UK Government announced, in its Green Finance Strategy, the expectation that listed companies and large asset owners should disclose in line with the TCFD. The Company is a closed-ended Guernsey domiciled fund. There is no current mandatory requirement under the listing rules or any other framework to make disclosures in line with the TCFD for closed-ended funds. The Board continues to assess, with the Portfolio Manager, disclosures prevailing in the market in similar entities to that of the Company so as to best articulate the low levels of climate risk to which the Board believes the Company is exposed.

The Portfolio Manager considers environmental, social and governance (“ESG”) factors in the investment process, utilising an integrated approach. Additional information is detailed in the Strategic Report included in the Company’s Annual Report and Audited Financial Statements for the year ended 30 September 2023.

Environmental, social and governance

The Board recognises the importance of ESG factors in the investment management industry and the wider economy as whole. The Company is a closed-ended investment company with a limited purpose and without employees. As such, it is the view of the Board that the direct environmental and social impact of the Company is limited and that ESG considerations are most applicable in respect of the asset allocation and security selection decisions made for its portfolio.

The Company has appointed the Portfolio Manager to advise it in relation to all aspects relevant to the Investment Portfolio. The Company was not established with explicit ESG targets and does not have any ESG objectives. The Portfolio Manager includes ESG factors in its investment appraisal and approach and has a formal ESG framework. The Portfolio Manager has an ESG Committee representing all areas of its business, which is governed by its Executive Committee. The Board receives regular updates from the Portfolio Manager on its ESG

processes and assesses their suitability for the Company. ESG factors are assessed by the Portfolio Manager for every transaction as part of their investment process. Climate risks are incorporated in the ESG analysis under environmental factors.

Going concern

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

The Board believes that it is appropriate to adopt the going concern basis in preparing the Unaudited Condensed Interim Financial Statements in view of its holding in cash and cash equivalents and certain more liquid investments within the portfolio and the income deriving from those investments, meaning the Company has adequate financial resources to meet its liabilities as they fall due.

Related parties

Related party balances and transactions are disclosed in note 13 of these Unaudited Condensed Interim Financial Statements.



Responsibility Statement

The Board confirms that to the best of their 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 the UK Listing Authority’s Disclosure and Transparency Rule (“DTR”) 4.2.4R.
- This 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 October 2023 to 31 March 2024 and their impact on the Unaudited Condensed Interim Financial Statements; and a description of the principal risks and uncertainties for the remaining six months of the financial 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 October 2023 to 31 March 2024 and that have materially affected the financial position or performance of the Company during that period as included in note 13.

By order of the Board

Ashley Paxton
Chair

Sharon Parr
Director

10 June 2024



Independent Review Report to the Members of TwentyFour Select Monthly Income Fund Limited

Report on the unaudited condensed interim financial statements

Our conclusion

We have reviewed TwentyFour Select Monthly Income Fund Limited's unaudited condensed interim financial statements (the "interim financial statements") in the Interim Management Report and Unaudited Condensed Interim Financial Statements of TwentyFour Select Monthly Income Fund Limited for the 6-month period ended 31 March 2024 (the "period").

Based on our review, nothing has come to our attention that causes us to believe that the interim financial statements are not prepared, in all material respects, in accordance with International Accounting Standard 34, 'Interim Financial Reporting', and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority.

The interim financial statements comprise:

- the condensed statement of financial position as at 31 March 2024;
- the condensed statement of comprehensive income for the period then ended;
- the condensed statement of cash flows for the period then ended;

- the condensed statement of changes in equity for the period then ended; and
- the explanatory notes to the interim financial statements.

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

Basis for conclusion

We conducted our review in accordance with International Standard on Review Engagements 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the International Auditing and Assurance Standards Board. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

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



Independent Review Report to the Members of TwentyFour Select Monthly Income Fund Limited (continued)

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

Responsibilities for the interim financial statements and the review

Our responsibilities and those of the directors

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

Our responsibility is to express a conclusion on the interim financial statements in the Interim Management Report and Unaudited Condensed Interim Financial Statements based on our review. This report, including the conclusion, has been prepared for and only for the company for the purpose of complying with the Disclosure Guidance and Transparency

Rules sourcebook of the United Kingdom's Financial Conduct Authority and for no other purpose. We do not, in giving this conclusion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

PricewaterhouseCoopers CI LLP
Chartered Accountants
Guernsey, Channel Islands
10 June 2024

- (a) The directors of TwentyFour Select Monthly Income Fund Limited have chosen to make the interim financial statements available in the TwentyFour Asset Management LLP's (investment manager) website; the work carried out by the auditors does not involve consideration of the maintenance and integrity of the website and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the interim financial statements since they were initially presented on the website.
- (b) Legislation in Guernsey governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.



Condensed Statement of Comprehensive Income

for the period from 1 October 2023 to 31 March 2024

		For the period from 01.10.23 to 31.03.24	For the period from 01.10.22 to 31.03.23
Income	Notes	(Unaudited) £	(Unaudited) £
Interest income on financial assets at fair value through profit and loss		9,117,181	8,404,087
Net foreign currency gains	7	2,600,395	2,375,468
Net gains on financial assets at fair value through profit or loss	8	13,803,070	3,624,782
Total income		25,520,646	14,404,337
Expenses			
Portfolio management fees	13	(694,772)	(630,659)
Directors' fees	13	(75,599)	(80,111)
Administration fees	14	(63,660)	(59,495)
AIFM management fees	14	(42,627)	(40,185)
Audit fees		(72,438)	(48,250)
Custody fees	14	(9,264)	(9,840)
Broker fees		(25,028)	(25,162)
Depositary fees	14	(15,132)	(13,860)
Legal and other professional fees		(26,911)	(24,658)
Other expenses		(128,337)	(91,345)
Total expenses		(1,153,768)	(1,023,565)
Total comprehensive income for the period*		24,366,878	13,380,772
Earnings per Ordinary Share - Basic & Diluted	3	0.101	0.058

All items in the above statement derive from continuing operations.

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

*There was no other comprehensive income during the period.

Condensed Statement of Financial Position

as at 31 March 2024

		31.03.24	30.09.23
Assets	Notes	(Unaudited)	(Audited)
		£	£
Current assets			
Financial assets at fair value through profit and loss			
- Investments	8	194,275,481	176,435,682
- Derivative assets: Forward currency contracts	16	94,552	373
Amounts due from broker		-	591,537
Other receivables	9	3,570,509	3,770,602
Cash and cash equivalents		4,040,889	5,302,091
Total current assets		201,981,431	186,100,285
Liabilities			
Current liabilities			
Amounts due to broker		2,393,825	937,392
Other payables	10	1,632,499	1,662,752
Financial liabilities at fair value through profit and loss			
- Derivative liabilities: Forward currency contracts	16	224,204	1,811,101
Total current liabilities		4,250,528	4,411,245
Total net assets		197,730,903	181,689,040
Equity			
Share capital account	11	222,020,634	219,836,492
Retained earnings		(24,289,731)	(38,147,452)
Total equity		197,730,903	181,689,040
Ordinary Shares in issue (excluding treasury shares)	11	243,574,331	240,824,331
Net Asset Value per Ordinary Share (pence)	5	81.18	75.44

The Unaudited Condensed Interim Financial Statements on pages 21 to 40 were approved by the Board of Directors on 10 June 2024 and signed on its behalf by:

Ashley Paxton
Chair

Sharon Parr
Director

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

Condensed Statement of Changes in Equity

for the period from 1 October 2023 to 31 March 2024

		Share capital account	Retained earnings	Total
	Note	(Unaudited) £	(Unaudited) £	(Unaudited) £
Balance at 1 October 2023		219,836,492	(38,147,452)	181,689,040
Reissue of treasury shares		2,612,680	-	2,612,680
Share issue costs		(26,127)	-	(26,127)
Repurchased tendered shares in treasury		(369,501)	-	(369,501)
Income equalisation on new issues	4	(32,910)	32,910	-
Dividends paid		-	(10,542,067)	(10,542,067)
Total comprehensive income for the period		-	24,366,878	24,366,878
Balance at 31 March 2024		222,020,634	(24,289,731)	197,730,903

		Share capital account	Retained earnings	Total
	Note	(Unaudited) £	(Unaudited) £	(Unaudited) £
Balance at 1 October 2022		201,561,499	(50,226,621)	151,334,878
Issue of shares		20,793,365	-	20,793,365
Share issue costs		(246,169)	-	(246,169)
Income equalisation on new issues	4	(162,627)	162,627	-
Dividends paid		-	(7,725,648)	(7,725,648)
Total comprehensive income for the period		-	13,380,772	13,380,772
Balance at 31 March 2023		221,946,068	(44,408,870)	177,537,198

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

Condensed Statement of Cash Flows

for the period from 1 October 2023 to 31 March 2024

	Notes	For the period from 01.10.23 to 31.03.24 (Unaudited) £	For the period from 01.10.22 to 31.03.23 (Unaudited) £
Cash flows from operating activities			
Total comprehensive income for the period		24,366,878	13,380,772
Adjustments for:			
Net gains on financial assets at fair value through profit or loss	8	(13,803,070)	(3,624,782)
Amortisation adjustment under effective interest rate method	8	(975,589)	(1,078,462)
Unrealised gains on forward currency contracts	7	(1,681,076)	(2,978,615)
Exchange (gain)/loss on cash and cash equivalents		(1,731)	14,286
Decrease/(increase) in other receivables	9	200,093	(501,510)
Decrease in other payables	10	(44,003)	(139,257)
Purchase of investments		(22,406,424)	(27,033,131)
Sale of investments		21,393,254	11,848,881
Net cash generated from/(used in) operating activities		7,048,332	(10,111,818)
Cash flows from financing activities			
Proceeds from issue of ordinary shares	11	-	20,793,365
Payment for purchase of own shares into treasury	11	(369,501)	-
Proceeds from re-issuance of treasury shares	11	2,612,680	-
Share issue costs	11	(26,127)	(246,169)
Dividends paid		(10,528,317)	(7,725,648)
Net cash (used in)/generated from financing activities		(8,311,265)	12,821,548
(Decrease)/increase in cash and cash equivalents		(1,262,933)	2,709,730
Cash and cash equivalents at beginning of period		5,302,091	674,776
Exchange gain/(loss) on cash and cash equivalents		1,731	(14,286)
Cash and cash equivalents at end of the period		4,040,889	3,370,220

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

Notes to the Unaudited Condensed Interim Financial Statements

for the period from 1 October 2023 to 31 March 2024

1. General information

TwentyFour Select Monthly Income Fund Limited (the "Company") was incorporated with limited liability in Guernsey, as a closed-ended investment company on 12 February 2014. The Company's Shares were listed with a Premium Listing on the Official List of the UK Listing Authority and admitted to trading on the Main Market of the London Stock Exchange ("LSE") on 10 March 2014.

The investment objective and policy is set out in the Summary Information on page 5.

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

2. Material accounting policies

a) Basis of preparation and statement of compliance

The Unaudited Condensed Interim Financial Statements for the period from 1 October 2023 to 31 March 2024 have been prepared on a going concern basis in accordance with International Accounting Standard 34, 'Interim Financial Reporting', and the Disclosure Guidance and Transparency Rules Sourcebook of the United Kingdom's Financial Conduct Authority ("FCA"), the Listing Rules of the LSE and applicable legal and regulatory requirements.

The Unaudited Condensed Interim Financial Statements should be read in conjunction with the Audited Annual Financial Statements for the year ended 30 September 2023, which were prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") and The Companies (Guernsey) Law, 2008 and for which an unqualified audit report was issued by the independent auditor.

b) Changes in accounting policy

There have been no changes to the accounting policies from those applied in the most recent audited annual financial statements.

c) Significant judgements and estimates

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

d) Standards, amendments and interpretations effective during the period

The following standards, interpretations and amendments were adopted for the period ended 31 March 2024:

- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2); and
- Definition of Accounting Estimates (Amendments to IAS 8).

There are no other standards, amendments and interpretations effective during the period that are deemed material to the Company.

e) Standards, amendments and interpretations issued but not yet effective

At reporting date of these financial statements, the following standards, interpretations and amendments, which have not been applied to these 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); and
- Lack of Exchangeability (Amendments to IAS 21) (applicable to accounting periods beginning on or after 1 January 2025).

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

Notes to the Unaudited Condensed Interim Financial Statements (continued)

for the period from 1 October 2023 to 31 March 2024

3. Earnings per Ordinary Share – basic & diluted

The earnings per Ordinary Share basic and diluted of 10.1p (period ended 31 March 2023: earnings of 5.8p) has been calculated based on the weighted average number of Ordinary Shares in issue (excluding treasury shares) of 241,472,418 (31 March 2023: 229,147,036) and a net income for the period of £24,366,878 (31 March 2023: net income of £13,380,772). As at 31 March 2024, the Company had 689,187 Ordinary Shares in Treasury. As these were resold on 12 April 2024 at 82.83 pence, a premium to the Company's NAV as at 31 March 2024, there is no diluted impact on earnings per share.

4. Income on equalisation of new issues/tendered shares repurchased

In order to ensure there were no dilutive effects on earnings per share for current Shareholders when issuing new shares, or when repurchasing tendered shares, earnings have been calculated in respect of the accrued income at the time of purchase of new shares/repurchase of tendered shares and a transfer has been made from share capital to income to reflect this. The transfer for the period amounted to £32,910 (31 March 2023: £162,627).

5. Net asset value per Ordinary Share

The net asset value of each share of 81.18p (30 September 2023: 75.44p) is determined by dividing the total net assets of the Company of £197,730,903 (30 September 2023: £181,689,040) by the number of shares in issue (excluding treasury shares) at 31 March 2024 of 243,574,331 (30 September 2023: 240,824,331).

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 £1,600 (30 September 2023: £1,200). The activities of the Company do not constitute relevant activities as defined by the Income Tax (Substance Requirements) (Implementation) Regulations, 2018 (as amended) and as such the Company was out of scope.



7. Net foreign currency gains

	For the period from 01.10.23 to 31.03.24	For the period from 01.10.22 to 31.03.23
	(Unaudited) £	(Unaudited) £
Movement in net unrealised gains on forward currency contracts	1,681,076	2,978,615
Realised gains on forward currency contracts	2,134,152	504,261
Realised currency losses on receivables/payables	(1,175,570)	(1,023,447)
Unrealised currency losses on receivables/payables	(39,263)	(83,961)
	2,600,395	2,375,468

8. Investments

	As at 31.03.24	As at 30.09.23
Financial assets at fair value through profit and loss:	(Unaudited) £	(Audited) £
Opening amortised cost	196,051,126	181,626,982
Purchases at cost	23,862,857	64,093,087
Proceeds on sale/principal repayment	(20,801,717)	(46,094,635)
Amortisation adjustment under effective interest rate method	975,589	2,243,398
Realised gain on sale/principal repayment	445,724	1,764,090
Realised loss on sale/principal repayment	(3,569,107)	(7,581,796)
Closing amortised cost	196,964,472	196,051,126
Unrealised gain on investments	5,240,913	1,278,651
Unrealised loss on investments	(7,929,904)	(20,894,095)
Fair value	194,275,481	176,435,682

	For the period from 01.10.23 to 31.03.24	For the period from 01.10.22 to 31.03.23
	(Unaudited) £	(Unaudited) £
Realised gain on sale/principal repayment	445,724	2,843,711
Realised loss on sale/principal repayment	(3,569,107)	(5,398,532)
Increase in unrealised gain	3,962,262	867,849
Decrease in unrealised loss	12,964,191	5,311,754
Net gain on financial assets at fair value through profit or loss	13,803,070	3,624,782

The Company does not experience any seasonality or cyclicity in its investing activities.

Notes to the Unaudited Condensed Interim Financial Statements (continued)

for the period from 1 October 2023 to 31 March 2024

9. Other receivables

	As at 31.03.24	As at 30.09.23
	(Unaudited)	(Audited)
	£	£
Interest income receivable	3,462,499	3,616,445
Prepaid expenses	16,166	37,180
Dividends receivable	91,844	99,781
Other receivable	-	17,196
	3,570,509	3,770,602

The Board does not anticipate any material expected credit losses for interest income receivable as at 31 March 2024.

10. Other payables

	As at 31.03.24	As at 30.09.23
	(Unaudited)	(Audited)
	£	£
Portfolio management fees payable	146,478	141,472
Directors' fees payable	-	848
Administration fees payable	30,948	62,010
AIFM management fees payable	21,613	34,120
Audit fees payable	72,438	109,250
Other expenses payable	92,879	109,133
Depositary fees payable	10,145	-
Custody fees payable	40,126	1,797
Dividends payable	1,217,872	1,204,122
	1,632,499	1,662,752

11. Share capital account

Authorised share capital

The Board may issue an unlimited number of Ordinary Shares at par value of 1p per share.

Issued share capital

	As at 31.03.24	As at 30.09.23
	(Unaudited)	(Audited)
Ordinary Shares	£	£
Share capital account at the beginning of the period/year	219,836,492	201,561,499
Reissue of treasury shares	2,612,680	-
Issue of shares	-	21,160,665
Share issue costs	(26,127)	(248,637)
Purchase of own shares into treasury	(369,501)	(2,497,538)
Income equalisation on new issues	(32,910)	(139,497)
Total share capital account at the end of the period/year	222,020,634	219,836,492

Reconciliation of number of Shares

	31.03.24	30.09.23
Ordinary Shares	Shares	Shares
	£	£
Shares at the beginning of the period/year	240,824,331	216,213,518
Reissue of treasury shares	3,250,000	-
Issue of shares	-	28,050,000
Purchase of own shares into treasury	(500,000)	(3,439,187)
Total Shares in issue (excluding treasury shares) at the end of the period/year	243,574,331	240,824,331

	31.03.24	30.09.23
Treasury Shares	Shares	Shares
Shares at the beginning of the period/year	3,439,187	-
Purchase of own shares to hold in treasury	500,000	3,439,187
Reissue of treasury shares	(3,250,000)	-
Total Shares held in treasury at the end of the period/year	689,187	3,439,187
Total Shares in issue at the end of the period/year	244,263,518	244,263,518

Notes to the Unaudited Condensed Interim Financial Statements (continued)

for the period from 1 October 2023 to 31 March 2024

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.

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 Law.

The Company held 689,187 shares in Treasury as at 31 March 2024 (30 September 2023: 3,439,187). On 12 April 2024, the Company issued 1,000,000 shares at a price of 82.83 pence per share, of which 689,187 shares were issued from Treasury and 310,813 shares were new shares.

12. Analysis of financial assets and liabilities by measurement basis as per Statement of Financial Position

	Financial assets at fair value through profit and loss	Amortised cost	Total
31 March 2024 (Unaudited)	£	£	£
Financial Assets			
Financial assets at fair value through profit and loss			
- Investments			
- Corporate bonds	126,361,292	-	126,361,292
- Asset-backed securities	67,914,189	-	67,914,189
- Derivative assets: Forward currency contracts	94,552	-	94,552
Other receivables (excluding prepaid expenses)	-	3,554,343	3,554,343
Cash and cash equivalents	-	4,040,889	4,040,889
	194,370,033	7,595,232	201,965,265

12. Analysis of financial assets and liabilities by measurement basis as per Statement of Financial Position (continued)

	Financial liabilities at fair value through profit and loss	Amortised cost	Total
31 March 2024 (Unaudited)	£	£	£
Financial Liabilities			
Amounts due to broker	-	2,393,825	2,393,825
Other payables	-	1,632,499	1,632,499
Financial liabilities at fair value through profit and loss			
- Derivative liabilities: Forward currency contracts	224,204	-	224,204
	224,204	4,026,324	4,250,528

	Financial assets at fair value through profit and loss	Amortised cost	Total
30 September 2023 (Audited)	£	£	£
Financial Assets			
Financial assets at fair value through profit and loss			
- Investments			
- Corporate bonds	114,210,465	-	114,210,465
- Asset-backed securities	62,225,217	-	62,225,217
- Derivative assets: Forward currency contracts	373	-	373
Amounts due from broker	-	591,537	591,537
Other receivables (excluding prepaid expenses)	-	3,733,422	3,733,422
Cash and cash equivalents	-	5,302,091	5,302,091
	176,436,055	9,627,050	186,063,105

	Financial liabilities at fair value through profit and loss	Amortised cost	Total
30 September 2023 (Audited)	£	£	£
Financial Liabilities			
Amounts due to broker	-	937,392	937,392
Other payables	-	1,662,752	1,662,752
Financial liabilities at fair value through profit and loss			
- Derivative liabilities: Forward currency contracts	1,811,101	-	1,811,101
	1,811,101	2,600,144	4,411,245

Notes to the Unaudited Condensed Interim Financial Statements (continued)

for the period from 1 October 2023 to 31 March 2024

13. Related parties

a) Directors' remuneration

The Directors of the Company are remunerated for their services at such a rate as the Directors determine. The aggregate fees of the Directors will not exceed £250,000.

The Directors' fees for the period/year and the outstanding fees at period/year end are as follows:

	31.03.24 (Unaudited) £	30.09.23 (Audited) £
Ashley Paxton (Chair of the Board) ¹	22,500	39,348
Sharon Parr (Audit and Risk Committee Chair) ²	20,000	32,660
Wendy Dorey (Management Engagement Committee Chair) ³	18,500	23,613
Richard Class (appointed 1 November 2023) ⁴	14,599	-
Claire Whittet (resigned 11 August 2023)	-	38,063
Ian Martin (resigned 1 February 2023)	-	12,392
Total Directors' fees	75,599	146,076

1 Ashley Paxton was appointed Chair of the Board on 11 August 2023.

2 Sharon Parr was appointed a Director on 1 November 2022 and as Chair of the Audit and Risk Committee and the Remuneration and Nomination Committee on 11 August 2023.

3 Wendy Dorey was appointed a Director on 1 February 2023 and as Chair of the Management Engagement Committee on 11 August 2023.

4 Richard Class was appointed Director on 1 November 2023.

No Directors' fees were outstanding as at 31 March 2024 (30 September 2023: £848).

b) Shares held by related parties

The Directors of the Company held the following shares beneficially:

	31.03.24 Shares	30.09.23 Shares
Ashley Paxton	120,000	100,000
Sharon Parr	98,004	98,004
Wendy Dorey	15,000	15,000
Claire Whittet ¹	25,000	25,000
Richard Class ²	50,000	N/A
Ian Martin ³	N/A	35,000

1 Claire Whittet resigned on 11 August 2023.

2 Richard Class was appointed on 1 November 2023.

3 Ian Martin resigned on 1 February 2023.

13. Related parties (continued)

Directors are entitled to receive the dividends on any shares held by them during the period/year. Dividends declared by the Company are set out in note 18.

As at 31 March 2024, separate fund entities for which the Portfolio Manager is engaged to provide portfolio management services, collectively held 7,562,744 Shares (30 September 2023: 7,562,744 Shares) which is 3.10% (30 September 2023: 3.14%) of the Issued Share Capital. Partners and employees of the Portfolio Manager, including their immediate family members, directly or indirectly held 4,793,523 Shares (30 September 2023: 4,993,523), which is 1.97% (30 September 2023: 2.07%) of the Issued Share Capital.

The Shares held by Directors and by partners and employees of the Portfolio Manager are purchased in their own right on the open market and do not form part of their remuneration paid by the Company.

The Portfolio Manager, partner and employee amounts therefore exclude Shares held under any long-term incentive plan ("LTIP") which has not yet vested. Shares that are held in employee and partner LTIPs total 682,988 (30 September 2023: 536,141), which is 0.28% of the Issued Share Capital (30 September 2023: 0.22%).

The amounts for the Portfolio Manager, its partners and employees and LTIP are shown for transparency purposes and are not considered transactions with related parties.

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 £694,772 (31 March 2023: £630,659) of which £146,478 (30 September 2023: £141,472) is payable at period (year) end. The Portfolio Management Agreement dated 17 February 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 0.175% of the aggregate gross offering proceeds 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 earned £Nil (31 March 2023: £38,235) in commission, which is charged as a cost of issuance.

14. Material agreements

a) Alternative Investment Fund Manager ("AIFM")

The Company's AIFM is Apex Fundrock Limited. In consideration for the services provided by the AIFM under the AIFM Agreement, the AIFM is entitled to receive from the Company a minimum fee of £20,000 per annum and fees payable quarterly in arrears at a rate of 0.07% of the Net Asset Value 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, AIFM fees of £42,627 (31 March 2023: £40,185) were charged to the Company, of which £21,613 (30 September 2023: £34,120) remained payable at the end of the period (year).

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 Net Asset Value 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 of £75,000 for each year. In addition, an annual fee of £25,000 will be charged for corporate governance and company secretarial services. During the period, administration and secretarial fees of £63,660 (31 March 2023: £59,495) were charged to the Company, of which £30,948 (30 September 2023: £62,010) remained payable at the end of the period (year).

c) Broker

For its services as the Company's broker, Numis Securities Limited ("Deutsche Numis" or the "Broker") is entitled to receive a retainer fee of £50,000 per annum and also a commission of 1% on all tap issues. During the period, the Broker earned £25,028 (31 March 2023: £25,162) in commission, which is charged as a cost of issuance.

d) 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 below £100 million, 0.0150% on Net

Notes to the Unaudited Condensed Interim Financial Statements (continued)

for the period from 1 October 2023 to 31 March 2024

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 of £25,000 for each year. During the period, depositary fees of £15,132 (31 March 2023: £13,860) were charged to the Company, of which £10,145 (30 September 2023: £Nil) remained payable at the end of the period (year).

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 £9,264 (31 March 2023: £9,840) of which £6,188 (30 September 2023: £1,797) is due and payable at the end of the period (year).

15. Financial risk management

The Company's activities expose it to a variety of financial risks: market risk (including price risk, reinvestment risk, interest rate risk and foreign currency risk), credit risk, liquidity risk and capital risk. Please refer to the Statement of Principal Risks and Uncertainties on pages 14 to 17 of this report.

These Unaudited Condensed Interim Financial Statements may not include all the financial risk management information and disclosures required in the annual financial statements; they should be read in conjunction with the Company's Annual Report and Audited Financial Statements for the year ended 30 September 2023.

16. Fair value measurement

All assets and liabilities are carried at fair value or at carrying value 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 table analyses within the fair value hierarchy the Company's financial assets and liabilities (by class) measured at fair value as at 31 March 2024.

	Level 1	Level 2	Level 3	Total
Assets	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	£	£	£	£
Financial assets at fair value through profit or loss				
- Investments				
- Corporate bonds	-	126,361,292	-	126,361,292
- Asset-backed securities	-	61,913,809	6,000,380	67,914,189
- Derivative assets: Forward currency contracts	-	94,552	-	94,552
Total assets as at 31 March 2024	-	188,369,653	6,000,380	194,370,033
Liabilities	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	£	£	£	£
Financial liabilities at fair value through profit or loss				
- Derivative liabilities: Forward currency contracts	-	224,204	-	224,204
Total liabilities as at 31 March 2024	-	224,204	-	224,204

16. Fair value measurement (continued)

The following table analyses within the fair value hierarchy the Company's financial assets and liabilities (by class) measured at fair value as at 30 September 2023.

	Level 1	Level 2	Level 3	Total
Assets	(Audited)	(Audited)	(Audited)	(Audited)
	£	£	£	£
Financial assets at fair value through profit or loss				
- Investments				
- Corporate bonds	-	114,210,465	-	114,210,465
- Asset-backed securities	-	56,636,292	5,588,925	62,225,217
- Derivative assets: Forward currency contracts	-	373	-	373
Total assets as at 30 September 2023	-	170,847,130	5,588,925	176,436,055

	Level 1	Level 2	Level 3	Total
Liabilities	(Audited)	(Audited)	(Audited)	(Audited)
	£	£	£	£
Financial liabilities at fair value through profit or loss				
- Derivative liabilities: Forward currency contracts	-	1,811,101	-	1,811,101
Total liabilities as at 30 September 2023	-	1,811,101	-	1,811,101

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

Credit securities which are not traded or dealt on organised markets or exchanges are classified as Level 2 or Level 3. Credit securities with prices obtained from independent price vendors, where the Portfolio Manager is able to assess whether the observable inputs used for their modelling of prices are accurate and the Portfolio Manager has the ability to challenge these vendors with further observable inputs, are classified as Level 2. Prices obtained from vendors who are not easily challengeable or transparent in showing their assumptions for the method of pricing or where an independent value is sought from an external provider based on an appropriate valuation model, are classified as Level 3. Credit securities priced at an average of two vendors' prices are classified as Level 3.

Where the Portfolio Manager determines that the price obtained from an independent price vendor is not an accurate representation of the fair value of the credit security, the

Portfolio Manager may source prices from third party dealer quotes and if the price represents a reliable and an observable price, the credit security is classified as Level 2. Any dealer quote that is over 20 days old is considered stale and is classified as Level 3. 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 and are also classified as Level 3 investments.

The Portfolio Manager also took advantage of engaging a third party valuer to value certain investments (primarily residential mortgage-backed security assets). The valuation of these assets and others that the Portfolio Manager may deem appropriate to provide 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. As at 31 March 2024, investments representing 3.4% of the portfolio were valued by the third party valuer (30 September 2023: 3.2%).

Notes to the Unaudited Condensed Interim Financial Statements (continued)

for the period from 1 October 2023 to 31 March 2024

16. Fair value measurement (continued)

Although the models used utilise other unobservable inputs in addition to the discount margins such as constant default rate and constant prepayment rate, it is the Board's and Portfolio Manager's views that any reasonable movement in these unobservable inputs would not yield a significant change in fair value to the portfolio and as a result, a sensitivity analysis relating to these unobservable inputs has not been presented. The following table summarises the quantitative information about the significant unobservable inputs used in Level 3 fair value measurements and how a reasonable possible change in the input would affect the fair values:

31 March 2024 (Unaudited)	Fair Value (£)	Financial Assets/ Liabilities	Unobservable Input	Sensitivity Used	Effect on Fair Value (£)
Dutch RMBS	4,095,380	Financial Asset	Discount Margin (965 bps)	+1% / -1%	103,946 / (98,930)
UK RMBS	1,905,000	Financial Asset	Discount Margin (950 bps)	+1% / -1%	26,861 / (26,480)

30 September 2023 (Audited)	Fair Value (£)	Financial Assets/ Liabilities	Unobservable Input	Sensitivity Used	Effect on Fair Value (£)
Dutch RMBS	3,788,925	Financial Asset	Discount Margin (1020 bps)	+1% / -1%	110,517 / (128,019)
UK RMBS	1,800,000	Financial Asset	Discount Margin (950 bps)	+1% / -1%	40,140 / (39,240)

There were no transfers between levels during the period (30 September 2023: Nil).

The following table presents the movement in Level 3 instruments for the period ended 31 March 2024 by class of financial instrument.

	Bonds	Asset-backed securities	Total
31 March 2024 (Unaudited)	£	£	£
Opening balance	-	5,588,925	5,588,925
Net purchases	-	77,478	77,478
Net realised gains for the period	-	230,632	230,632
Net unrealised gains for the period	-	103,345	103,345
Closing balance	-	6,000,380	6,000,380

The following table presents the movement in Level 3 instruments for the year ended 30 September 2023 by class of financial instrument.

	Bonds	Asset-backed securities	Total
30 September 2023 (Audited)	£	£	£
Opening balance	-	7,710,607	7,710,607
Net disposals	-	(2,254,534)	(2,254,534)
Net realised losses for the year	-	(428,973)	(428,973)
Net unrealised gains for the year	-	561,825	561,825
Closing balance	-	5,588,925	5,588,925

16. Fair value measurement (continued)

The following table analyses within the fair value hierarchy the Company's assets and liabilities not measured at fair value at 31 March 2024, but for which fair value is disclosed.

	Level 1	Level 2	Level 3	Total
	£	£	£	£
31 March 2024 (Unaudited)				
Assets				
Other receivables excluding prepaid expenses	-	3,554,343	-	3,554,343
Cash and cash equivalents	4,040,889	-	-	4,040,889
Total	4,040,889	3,554,343	-	7,595,232

	Level 1	Level 2	Level 3	Total
	£	£	£	£
Liabilities				
Amounts due to broker	-	2,393,825	-	2,393,825
Other payables	-	1,632,499	-	1,632,499
Total	-	4,026,324	-	4,026,324

The following table analyses within the fair value hierarchy the Company's assets and liabilities not measured at fair value at 30 September 2023, but for which fair value is disclosed.

	Level 1	Level 2	Level 3	Total
	£	£	£	£
30 September 2023 (Audited)				
Assets				
Amounts due from broker	-	591,537	-	591,537
Other receivables excluding prepaid expenses	-	3,733,422	-	3,733,422
Cash and cash equivalents	5,302,091	-	-	5,302,091
Total	5,302,091	4,324,959	-	9,627,050

	Level 1	Level 2	Level 3	Total
	£	£	£	£
Liabilities				
Amounts due to broker	-	937,392	-	937,392
Other payables	-	1,662,752	-	1,662,752
Total	-	2,600,144	-	2,600,144

Notes to the Unaudited Condensed Interim Financial Statements (continued)

for the period from 1 October 2023 to 31 March 2024

The assets and liabilities included in the above tables are carried at amortised cost; due to their short-term nature, their carrying values are a reasonable approximation of fair value.

Cash and cash equivalents include deposits held with banks.

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

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

17. Segmental reporting

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

The Company invests in a diversified portfolio of credit securities. The fair value of the major financial instruments held by the Company and the equivalent percentages of the total value of the Company are reported in the Top Twenty Holdings on page 11.

Revenue earned is reported separately on the face of the Condensed Statement of Comprehensive Income as interest income on financial assets at fair value through profit and loss being interest income received from credit securities.

18. Dividend policy

The Board intends to distribute an amount at least equal to the value of the Company's excess income, as defined below, arising each financial year to the holders of Ordinary Shares. However, there is no guarantee that the Dividend Target of 6.0 pence per Ordinary Share for each financial year will be met or that the Company will make any distributions at all.

Excess income is defined as the distributions made with respect to any income period, which comprise (a) the accrued income of the portfolio for the period (for these purposes, the Company's income will include the interest payable by the credit securities in the portfolio and amortisation of any discount or premium to par at which a credit security is purchased over its remaining expected life); (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; (c) any relevant expenses less 50% of the portfolio management fees for the period; and (d) any gain/(loss) on the foreign exchange contracts caused by the interest rate differentials between each foreign exchange currency pair which is reflected in each pair's forward foreign exchange rate. This definition differs from the IFRS Accounting Standards "net income" definition which also recognises gains and losses on financial assets.

The Company declared the following dividends in respect of the profit for the period ended 31 March 2024:

Period to	Dividend per Share (pence)	Net dividend payable (£)	Ex-dividend date	Record date	Pay date
29 September 2023*	1.87	4,493,959	19 October 2023	20 October 2023	3 November 2023
31 October 2023	0.50	1,201,622	16 November 2023	17 November 2023	1 December 2023
30 November 2023	0.50	1,204,122	21 December 2023	22 December 2023	5 January 2024
29 December 2023	0.50	1,209,122	18 January 2024	19 January 2024	2 February 2024
31 January 2024	0.50	1,215,372	15 February 2024	16 February 2024	1 March 2024
29 February 2024	0.50	1,217,872	21 March 2024	22 March 2024	5 April 2024
		10,542,069			
28 March 2024	0.75	1,834,307	18 April 2024	19 April 2024	3 May 2024

* This dividend was declared in respect of distributable profit for the year ended 30 September 2023.

18. Dividend policy (continued)

The Company declared the following dividends in respect of the profit for the year ended 30 September 2023:

Period to	Dividend per Share (pence)	Net dividend payable (£)	Ex-dividend date	Record date	Pay date
30 September 2022*	0.89	1,928,308	20 October 2022	21 October 2022	4 November 2022
31 October 2022	0.50	1,105,068	17 November 2022	18 November 2022	2 December 2022
30 November 2022	0.50	1,129,068	15 December 2022	16 December 2022	30 December 2022
30 December 2022	0.50	1,149,068	19 January 2023	20 January 2023	3 February 2023
31 January 2023	0.50	1,195,318	16 February 2023	17 February 2023	3 March 2023
28 February 2023	0.50	1,218,818	16 March 2023	17 March 2023	31 March 2023
31 March 2023	0.50	1,221,318	20 April 2023	21 April 2023	5 May 2023
28 April 2023	0.50	1,221,318	18 May 2023	19 May 2023	2 June 2023
31 May 2023	0.50	1,221,318	15 June 2023	16 June 2023	30 June 2023
30 June 2023	0.50	1,204,122	20 July 2023	21 July 2023	4 August 2023
31 July 2023	0.50	1,204,122	17 August 2023	18 August 2023	1 September 2023
31 August 2023	0.50	1,204,122	21 September 2023	22 September 2023	6 October 2023
		15,001,968			
30 September 2023	1.87	4,493,959	19 October 2023	20 October 2023	3 November 2023

* This dividend was declared in respect of distributable profit for the year ended 30 September 2022.

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.

19. Ultimate controlling party

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

Notes to the Unaudited Condensed Interim Financial Statements (continued)

for the period from 1 October 2023 to 31 March 2024

20. Subsequent events

These Unaudited Condensed Interim Financial Statements were approved for issuance by the Board on 10 June 2024. Subsequent events have been evaluated to this date.

Subsequent to the period end and up to the date of signing of the Unaudited Condensed Interim Financial Statements, the following events took place:

Dividend declarations

Period to	Dividend per Share (pence)	Net dividend payable (£)	Ex-dividend date	Record date	Pay date
30 April 2024	0.50	1,243,872	16 May 2024	17 May 2024	31 May 2024

Tenders

On 5 April 2024, 155,140 shares were tendered in respect of the 31 March 2024 tender, all of which were placed by Deutsche Numis, rather than repurchased by the Company.

Share issues

Issue date	Shares issued	Price (pence)
12 April 2024*	1,000,000	82.83
19 April 2024	750,000	81.68
26 April 2024	1,000,000	82.01
3 May 2024	700,000	82.28
10 May 2024	1,000,000	82.91
13 May 2024	750,000	82.91
17 May 2024	500,000	82.85
28 May 2024	1,200,000	83.18
3 June 2024	500,000	83.23

*On 12 April 2024, the Company issued 1,000,000 shares at a price of 82.83 pence per share, of which 689,187 shares were reissued from Treasury and 310,813 shares were new shares.

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 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 are unaudited and outside the scope of IFRS Accounting Standards.

Dividends Declared

Dividends declared are the dividends that are announced in respect of the current accounting period.

Dividend Target

The Company maintains an annual minimum dividend target of at least 6p per Ordinary Share.

Net Asset Value (“NAV”)

NAV is the assets attributable to Shareholders expressed as an amount per individual share. NAV is calculated using the accounting standards specified by IFRS Accounting Standards and consists of total assets, less total liabilities.

NAV per Share

NAV per share is calculated by dividing the total net asset value of £197,730,903 (30 September 2023: £181,689,040) by the number of shares at the end of the period/year of 243,574,331 shares (30 September 2023: 240,824,331). This produces a NAV per share of 81.18p (30 September 2023: 75.44p), which was an increase of 7.61% (30 September 2023: increase of 7.79%).

NAV Total Return per Share

NAV total return per share is the percentage increase or decrease in NAV, inclusive of dividends paid and reinvested, in the reporting period. It is calculated by adding the increase or decrease in NAV per share with the dividend per share when paid and reinvested back into the NAV, and dividing it by the NAV per share at the start of the period/year.

Ongoing Charges

The ongoing charges represent the Company's management fee and all other operating expenses, excluding finance costs, expressed as a percentage of the average of the daily net assets during the period/year (see page 4). The Board continues to be conscious of expenses and works hard to maintain a sensible balance between good quality service and cost.

Portfolio Performance

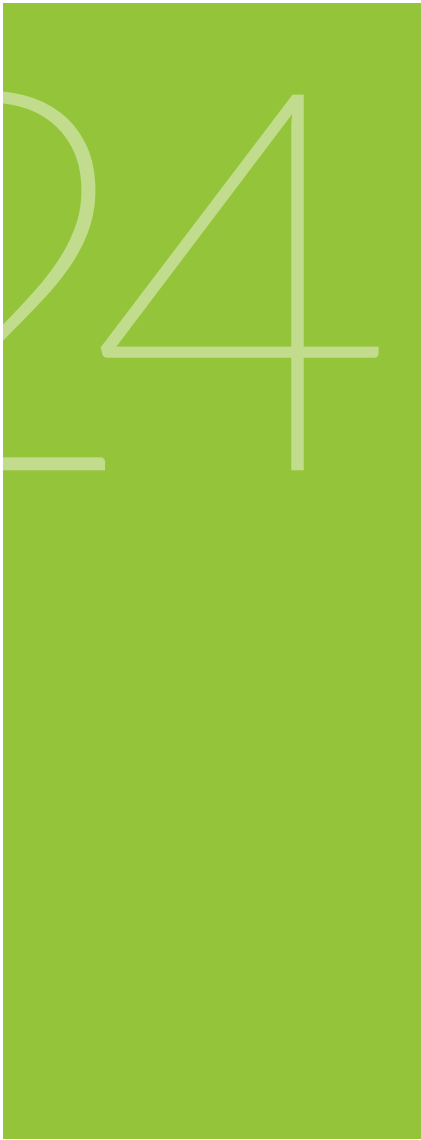
Portfolio performance is calculated by summing interest earned, realised and unrealised gains or losses on investments, less unrealised foreign exchange gains or losses on investments during the period/year and dividing by closing book cost for the period/year, stated as a percentage.

Premium/Discount

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.

Average Premium

The premium is calculated by subtracting the share price from the NAV per share and is usually expressed as a percentage of the NAV per share. This is calculated at the close of business on every Wednesday that is also a business day, as well as the last business day of every month, and an average taken for the period.



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