

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document or as to the action you should take, you should consult your independent financial adviser authorised under the Financial Services and Markets Act 2000 ("FSMA") without delay.

This document comprises a supplementary prospectus relating to TwentyFour Income Fund Limited (the "**Company**") for the purposes of Article 23 of the UK version of the EU Prospectus Regulation (2017/1129) which is part of UK law by virtue of the European Union (Withdrawal) Act 2018 (as amended and supplemented from time to time (including, but not limited to, by the UK Prospectus Amendment Regulations 2019 and The Financial Services and Markets Act 2000 (Prospectus) Regulations 2019)) (the "**UK Prospectus Regulation**"), the prospectus regulation rules of the Financial Conduct Authority (the "**FCA**") (the "**Prospectus Regulation Rules**") and the Guernsey Prospectus Rules and Guidance, 2021. This Supplementary Prospectus has been approved by the FCA, as the competent authority under the UK Prospectus Regulation. The FCA only approves this Supplementary Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the UK Prospectus Regulation. Accordingly, such approval should not be considered as an endorsement of the issuer, or of the quality of the securities, that are the subject of the Prospectus (as defined below) and this Supplementary Prospectus. Investors should make their own assessment as to the suitability of investing in the Shares.

The Company is a registered closed-ended collective investment scheme registered pursuant to the Protection of Investors (Bailiwick of Guernsey) Law, 2020 and the Registered Collective Investment Scheme Rules and Guidance, 2021 issued by the Guernsey Financial Services Commission (the "**GFSC**"). Neither the GFSC nor the States of Guernsey take any responsibility for the financial soundness of the Company or for the correctness of any of the statements made or opinions expressed with regard to it.

TWENTYFOUR INCOME FUND LIMITED

*(a non-cellular company limited by shares incorporated in Guernsey under the Companies (Guernsey) Law 2008, as amended (the "**Law**"), with registered number 56128 and registered as a Registered Closed-ended Collective Investment Scheme with the Guernsey Financial Services Commission)*

Supplementary Prospectus

This Supplementary Prospectus is supplemental to, and should be read in conjunction with, the prospectus of the Company dated 3 March 2022 (the "**Prospectus**") published in connection with the issue of Ordinary Shares pursuant to a scheme of reconstruction of UK Mortgages Limited and the Placing Programme of up to 150 million Ordinary Shares. Words or expressions defined in the Prospectus have the same meaning when used in this Supplementary Prospectus unless the context requires otherwise.

The Company and each of the Directors, whose names appear on page 9 of this Supplementary Prospectus, accept responsibility for the information contained in this Supplementary Prospectus. To the best of the knowledge of the Company and the Directors, the information contained in this Supplementary Prospectus is in accordance with the facts and this Supplementary Prospectus does not omit anything likely to affect the import of such information.

In accordance with the Guernsey Prospectus Rules and Guidance, 2021, the Directors have taken all reasonable care to ensure that the facts stated in this document are true and accurate in all material respects, and that there are no other facts the omission of which would make misleading any statement in this document, whether of facts or of opinion. All the Directors accept responsibility accordingly.

Each of Numis Securities Limited ("**Numis**") and BDO LLP ("**BDO**"), both of which are authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting for the Company and for no one else in connection with the matters referred to in the Prospectus and this Supplementary Prospectus, will not regard any other person (whether or not a recipient of the Prospectus or this Supplementary Prospectus) as their respective client in relation to the matters referred to in the Prospectus and this Supplementary Prospectus, and will not be responsible to anyone other than the Company for providing the protections afforded to their respective clients or for advising any such person in connection with such matters.

Apart from the responsibilities and liabilities, if any, which may be imposed on either of Numis or BDO by FSMA or the regulatory regime established thereunder, neither Numis nor BDO accepts any responsibility whatsoever for the contents of this Supplementary Prospectus. Each of Numis and BDO accordingly disclaims all and any liability, whether arising in tort or contract or otherwise (save as referred to above), which it might otherwise have in respect of this Supplementary Prospectus.

The Shares described in the Prospectus have not been, and will not be, registered under the United States Securities Act of 1933 (as amended) or the securities laws of any states of the United States or under any of the relevant securities laws of Canada, Australia, the Republic of South Africa, Japan or any EEA member state or their respective territories or possessions. Accordingly, the Shares may not (unless an exemption from such legislation or such laws is available) be offered, sold or delivered, directly or indirectly, in or into the United States, Canada, Australia, the Republic of South Africa, Japan or any EEA member state or their respective territories or possessions. The Company is not registered under the United States Investment Company Act of 1940 (as amended) and investors will not be entitled to the benefits of such legislation. This Supplementary Prospectus does not constitute an offer to sell or issue or the solicitation of an offer to buy or subscribe for Shares in any jurisdiction in which such offer or solicitation is unlawful.

The distribution of this Supplementary Prospectus in certain jurisdictions may be restricted by law. No action has been taken by the Company, Numis or BDO that would permit an offer of the Shares or possession or distribution of this Supplementary Prospectus or any other offering or publicity material in any jurisdiction where action for that purpose is required, other than in the United Kingdom. Persons into whose possession this Supplementary Prospectus comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

If you are in any doubt about the contents of this Supplementary Prospectus you should consult your accountant, legal or professional adviser or financial adviser.

25 July 2022

1. **PURPOSE OF SUPPLEMENTARY PROSPECTUS**

This document constitutes a Supplementary Prospectus required under Prospectus Regulation Rules 3.4.1 and 3.4.2 and is being published to note two significant new factors relating to the information included in the Prospectus.

2022 Annual Report

On 12 July 2022, the Company published its report and audited financial statements for the financial year ended 31 March 2022 (the “**2022 Annual Report**”) which constitutes a significant new factor relating to financial information contained in the Prospectus.

A copy of the 2022 Annual Report has been filed with the Financial Conduct Authority and, by virtue of this Supplementary Prospectus, such 2022 Annual Report is partly incorporated in, and forms part of, the Prospectus.

Appointment of new Director and successor Chair to the Board

On 11 July 2022, the Board resolved to appoint Bronwyn Curtis OBE as a Director with effect from 12 July 2022. It is expected that Ms. Curtis will succeed Trevor Ash as Chair of the Company when Mr. Ash retires as a Director at the 2022 AGM.

This Supplementary Prospectus contains certain information about Ms. Curtis and her appointment which supplements the information about the Directors contained in the Prospectus. In accordance with the Articles, Ms. Curtis will hold office until the 2022 AGM, at which she shall be eligible for election by Shareholders by an Ordinary Resolution.

This Supplementary Prospectus is supplemental to the Prospectus and has been approved for publication by the FCA.

2. **FINANCIAL INFORMATION RELATING TO THE COMPANY**

2.1 **Annual report for the financial year ended 31 March 2022**

The 2022 Annual Report has been drawn up in Sterling and has been prepared in accordance with the Law, International Financial Reporting Standards and the Listing Rules. The Company’s auditor, PricewaterhouseCoopers CI LLP, has given an unqualified opinion that the financial statements contained in the 2022 Annual Report give a true and fair view of the financial position of the Company as at 31 March 2022, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and have been properly prepared in accordance with the requirements of the Law.

Any part of the 2022 Annual Report not included in the tables below, and therefore not incorporated by reference, is either not relevant for the investor or is covered elsewhere in the Prospectus, as amended and supplemented by this Supplementary Prospectus.

2.2 **Published 2022 Annual Report**

(a) Financial Information

The published 2022 Annual Report, which has been partly incorporated in this document by reference, includes, on the pages specified in the table below, the following information:

**Annual Report and Audited
Financial Statements for the year
ended 31 March 2022**

<i>Nature of Information</i>	<i>Page No(s)</i>
Statement of comprehensive income	57
Statement of financial position	58
Statement of cash flows	60
Statement of changes in equity	59
Principal accounting policies	62
Notes to the financial statements (incorporating summary of principal accounting policies)	61
Independent auditor's report	48

(b) *Selected financial information*

The key figures that summarise the Company's financial condition in respect of the financial year ended 31 March 2022, which have been extracted without material adjustment from the financial information referred to in paragraph 2.2(a) above, are set out in the following table:

**Annual Report and Audited
Financial Statements for the year
ended 31 March 2022**

Total net assets (£'000)	718,477
NAV per Share (pence)	112.45
Total comprehensive income (£'000)	36,303
Earnings per Share (pence)	7.08
Dividend per Share (pence)	6.77

(c) *Operating and financial review*

The 2022 Annual Report includes, on the pages specified in the table below, descriptions of the Company's financial condition (in both capital and revenue terms); details of the Company's investment activities and portfolio exposure; and changes in its financial condition for that year.

**Annual Report and Audited
Financial Statements for the year
ended 31 March 2022**

<i>Nature of Information</i>	<i>Page No(s)</i>
Chairman's statement	6
Portfolio manager's report	8
Top twenty holdings	11

Starting the year at a discount, the share price improved after the summer as the economy came out of the COVID pandemic and, until the Russian invasion of Ukraine in February 2022, the Ordinary Shares traded at a premium. In March the Company briefly traded at a 5.3 per cent. discount, however, the average discount during the year was 1.2 per cent., and it moved in a range of a 2.8 per cent. premium to a 5.8 per cent. discount during the year.

Notably, from March 2021 the NAV performance has been steadily positive and this has not been matched by an increasing share price, but since the Russian invasion in Ukraine the Company has traded at a small discount as the NAV performance was negative due to credit spread widening due to global risk sentiment changing significantly. The Board is willing to continue to authorise the issuance of further Shares as a premium management mechanism while the portfolio managers can confirm that attractive investment opportunities are available in the market. Clearly, while the Company's Shares continue to trade on a discount, it is neither required, nor possible to issue at a premium.

The NAV per share total return on the Ordinary Shares from launch to 31 March 2022 was 92.81 per cent. (including dividends paid). The NAV per Ordinary Share marginally declined from 112.75 pence at the start of the year to 112.45 pence, for a total return of 5.55 per cent. (including dividends paid) during the year, and the income component of the return to investors remained strong. The Company declared and paid a dividend of 1.91 pence to cover the excess income earned during the preceding year, and three dividends of 1.5 pence per Ordinary Share to cover the pro-rata minimum target return of 6 pence per Ordinary Share, as well as announcing a final dividend for the year ended 31 March 2022 of 2.27 pence per Ordinary Share which was subsequently paid after the end of the year. The increase of the March 2022 dividend can be partly attributed to higher base rates as the Bank of England hiked interest rates three times from December to March and since then hiked one more time in May to bring the current base rate to 1.0 per cent. As the Company invests in floating rate bonds the income has improved. Due to the current heightened inflation levels the market widely expects that the Bank of England will hike interest rates five to six times more in the coming 12 months which will benefit coupon income for the Company. The dividend policy has remained consistent since launch, and despite the fundamental and market impact of the Russian invasion of Ukraine, as well as high inflation, the Board is pleased that the objective of the Company to provide attractive returns has been achieved with the full year income earned and distributed matching almost exactly that of the prior year.

The NAV performance of the Company has been mostly positive during the year as it has recovered from the volatility felt across all financial markets since late February 2020, as a result of the implications of a global shutdown in response to the COVID-19 pandemic.

Fundamental performance of the asset pools and structures remains strong and stable at the year end, notably outstripping the more negative expectations felt during the immediate aftermath of the global shutdown, and ratings remain stable with a bias towards upgrades over downgrades.

However, there is clearly a material negative impact on the global economy, especially in the light of the significant inflation and economic slowdown, expected due to, amongst other factors, the sanctions instituted against Russia. As central banks around the world unwind quantitative easing and interest rates increase, the probability of a recession in the UK and Europe has increased. Although consumers and corporates are currently in a good position, the recent increase in inflation and the general economic slowdown will put more strain on consumers as they face higher food and energy prices and corporates are likely to rely on their ability to pass higher cost on to their clients therefore margin compression is to be expected. This will lead to a general increase in arrears and loan defaults in both consumer and corporate lending markets, as well as an increase in future credit ratings downgrades, which may yet have an impact on the investments held by the Company.

However, following conversations with the portfolio managers, the Board remains comfortable that it is unlikely that income, or capital, will be at significant risk due to the expected slowdown of the global economy and the unwind of consumer and corporate support mechanisms. While underlying performance is expected to deteriorate, the dislocation between the performance implied by current pricing and what is expected continues to make the current opportunity set attractive. The Board remain confident in the due diligence processes and stress testing of the Portfolio undertaken by the Portfolio Manager.

This will allow for additional capital to be issued should investor appetite demand it.

2.3 Supplements to the Summary

As a result of the publication of the 2022 Annual Report, the Summary of the Prospectus is hereby supplemented as follows:

b.	What is the key financial information regarding the issuer?																
i.	<p>Selected historical financial information</p> <p><i>Income statement for closed end funds</i></p> <table> <tr> <td></td><td style="text-align: right;">Year ended 31 March 2022</td></tr> <tr> <td>Total net income/net investment income or total income before operating expenses</td><td style="text-align: right;">36,748,033</td></tr> <tr> <td>Net profit/(loss)</td><td style="text-align: right;">36,303,495</td></tr> <tr> <td>Portfolio management and AIFM management fees</td><td style="text-align: right;">4,548,201</td></tr> <tr> <td>Any other material fees to service providers</td><td style="text-align: right;">569,810</td></tr> <tr> <td>Earnings per share (pence)</td><td style="text-align: right;">7.08</td></tr> </table> <p><i>Balance sheet for closed end funds</i></p> <table> <tr> <td></td><td style="text-align: right;">Year ended 31 March 2022</td></tr> <tr> <td>Total net assets</td><td style="text-align: right;">718,477,218</td></tr> </table>		Year ended 31 March 2022	Total net income/net investment income or total income before operating expenses	36,748,033	Net profit/(loss)	36,303,495	Portfolio management and AIFM management fees	4,548,201	Any other material fees to service providers	569,810	Earnings per share (pence)	7.08		Year ended 31 March 2022	Total net assets	718,477,218
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Any other material fees to service providers	569,810																
Earnings per share (pence)	7.08																
	Year ended 31 March 2022																
Total net assets	718,477,218																

	Leverage ratio	n/a
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c.	Closed-ended funds				
	The data set out in the table below is as at 31 March 2022.				
	Share Class	Total NAV	Number of Shares in issue	NAV per Share	Historical performance of the Company
	Ordinary Shares	£718,477,218	638,942,655 (excluding treasury shares)	112.45 pence	The NAV per share total return on the Ordinary Shares from launch to 31 March 2022 was 92.81 per cent. (including dividends paid). The NAV per Ordinary Share marginally declined from 112.75 pence at the start of the year to 112.45 pence, for a total return of 5.55 per cent. (including dividends paid) during the year, and the income component of the return to investors remained strong. As at 31 March 2022, the Company's NAV per Ordinary Share was 112.45 pence, its total NAV was £718,477,218 and its Ordinary Share price was 107.00 pence.

2.4 Significant change in the financial position

As at 11 July 2022, the published NAV per Ordinary Share for the Company was 101.73 pence. This represents a decrease of 9.53 per cent. against the NAV per Ordinary Share as at 31 March 2022 of 112.45 pence.

There has otherwise been no significant change in the financial position of the Company since 31 March 2022, being the end of the last financial period for which audited financial information has been published.

3. APPOINTMENT OF NEW DIRECTOR AND SUCCESSOR CHAIR TO THE BOARD

Following the appointment of Bronwyn Curtis OBE to the Board with effect from 12 July 2022, with a view to Ms. Curtis succeeding Trevor Ash as Chair of the Company when Mr. Ash retires as a Director at the 2022 AGM, the following amendments and supplements are made to the Prospectus by virtue of this Supplementary Prospectus:

3.1 Summary

The Summary of the Prospectus is supplemented as follows:

a.	Who is the issuer of the securities?
iv.	Directors The directors of the Company, all of whom are non-executive and independent of the Portfolio Manager, are Trevor Ash (Chair), Ian Burns, Richard Burwood, Bronwyn Curtis OBE, Joanne Fintzen, John de Garis and John Le Poidevin. It is expected that Ms. Curtis will succeed Trevor Ash as Chair of the Company when Mr. Ash retires as a Director at the 2022 AGM.

3.2 Directors, Portfolio Manager, AIFM, Depositary, Administrator and Advisers

Bronwyn Curtis OBE is added to the list of Directors on page 32 of the Prospectus.

3.3 Directors, Management and Administration

In section 1 of Part 3 of the Prospectus, entitled “Directors” (starting on page 53 of the Prospectus), the following biography of Ms. Curtis is inserted after Mr. Burwood’s biography:

Bronwyn Curtis OBE – (Non-executive Director) (age 74)

Ms. Curtis is a resident of the United Kingdom and a Senior Executive with 30 years leadership in finance, commodities, consulting and the media. She is currently chair of JPMorgan Asia Growth and Income Plc and a non-executive director of BH Macro Limited, Pershing Square Holdings Ltd, Mercator Media Ltd, the Scottish American Investment Company Plc and the UK Office of Budget Responsibility. Her executive roles included Head of Global Research at HSBC Plc, Managing Editor and Head of European Broadcast at Bloomberg LP, Chief Economist of Nomura International, and Global Head of Foreign Exchange and Fixed Income Strategy at Deutsche Bank. She has also worked as a consultant for the World Bank and UNCTAD. Her other current appointments include trustee of the Centre for Economic and Policy Research, the Australia-UK Chamber of Commerce and The Times shadow MPC. She is a graduate of the London School of Economics and La Trobe University in Australia where she received a Doctor of Letters in 2017. Ms. Curtis was awarded an OBE in 2008 for her services to business economics.

It is expected that Ms. Curtis will succeed Trevor Ash as Chair of the Company when Mr. Ash retires as a Director at the 2022 AGM.

3.4 Board Independence, Composition and Tenure

The first paragraph (under (v)) at the top of page 60 of the Prospectus is replaced with the following:

The Board currently consists of seven non-executive Directors, all of whom are considered to be independent of the Portfolio Manager as prescribed by the Listing Rules.

3.5 Interests of Directors

The following information amends and/or supplements the disclosures made about the Directors in sections 9.1 – 9.4 of Part 9 of the Prospectus (starting on page 102 of the Prospectus):

- (a) Ms. Curtis does not have beneficial interests in any Ordinary Shares and does not intend to subscribe for Ordinary Shares under the Placing Programme.
- (b) Over the five years preceding the date of this Supplementary Prospectus, Ms. Curtis has held the following directorships (apart from her directorship of the Company) and/or partnerships:

<i>Current directorships/partnerships</i>	<i>Past directorships/partnerships</i>
Australia-United Kingdom Chamber of Commerce	None
BH Macro Limited	
Fitzgeorge & Fitzjames Freehold Ltd	
JPMorgan Asia Growth and Income plc	
Mercator Media Limited	
Pershing Square Holdings, Ltd.	

<i>Current directorships/partnerships</i>	<i>Past directorships/partnerships</i>
Scottish American Investment Company plc UK Office of Budget Responsibility	

(c) In the five years before the date of this Supplementary Prospectus, Ms. Curtis:

- (i) does not have any convictions in relation to fraudulent offences;
- (ii) has not been associated with any bankruptcies, receiverships or liquidations of any partnership or company through acting in the capacity as a member of the administrative, management or supervisory body or as a partner, founder or senior manager of such partnership or company; and
- (iii) does not have any official public incrimination and/or sanctions by statutory or regulatory authorities (including designated professional bodies) and has not been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of any issuer or from acting in the management or conduct of the affairs of any issuer.

4. **WITHDRAWAL RIGHTS**

In accordance with Article 23(2) of the UK Prospectus Regulation, investors who have agreed before this Supplementary Prospectus is published to purchase or subscribe for Shares the allotment of which has not become fully unconditional have the right, exercisable before the end of the period of two working days beginning with the working day after the date on which this Supplementary Prospectus was published, to withdraw their agreement. There is no offer to the public being made pursuant to the Prospectus that has not become fully unconditional as at the date of this Supplementary Prospectus. As such, the withdrawal rights pursuant to Article 23(2) of the UK Prospectus Regulation are not applicable in the context of this Supplementary Prospectus.

5. **RESPONSIBILITY**

5.1 The Company and each of the Directors, whose names appear below, accept responsibility for the information contained in this Supplementary Prospectus. To the best of the knowledge of the Company and the Directors, the information contained in this Supplementary Prospectus is in accordance with the facts and this Supplementary Prospectus does not omit anything likely to affect the import of such information.

5.2 The Directors of the Company are:

Trevor Ash (Chair)
Ian Burns
Richard Burwood
Bronwyn Curtis OBE
Joanne Fintzen
John de Garis
John Le Poidevin

5.3 The registered office of the Company is at:

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

- 5.4 For the avoidance of doubt, Ms. Curtis does not accept responsibility for the information contained in the Prospectus, on the basis that she was not a Director of the Company at the time of publication of the Prospectus.

6. DOCUMENTS AVAILABLE FOR INSPECTION

- 6.1 Copies of the Prospectus, this Supplementary Prospectus and the 2022 Annual Report may be inspected free of charge at the offices of Hogan Lovells International LLP, Atlantic House, Holborn Viaduct, London EC1A 2FG during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) from the date of this document and while the Prospectus remains valid.
- 6.2 Copies of the Supplementary Prospectus will be available for inspection at The National Storage Mechanism which is located at <https://data.fca.org.uk/#/nsm/nationalstoragemechanism> and for as long as Ordinary Shares are available for issue under the Prospectus, copies of this Supplementary Prospectus are available for collection, free of charge from the office of the Administrator. The Supplementary Prospectus will also be available on the Company's website – www.twentyfourincomefund.com.

7. ADDITIONAL INFORMATION

- 7.1 Save as disclosed in this Supplementary Prospectus, no other significant new factor, material mistake or material inaccuracy relating to information included in the Prospectus has arisen or been noted, as the case may be, since the publication of the Prospectus.
- 7.2 For the avoidance of doubt, the 2022 AGM will take place on 14 October 2022, as set out in the Prospectus (and not on 20 September 2022, notwithstanding that this date is noted as the date of the 2022 AGM in the 2022 Annual Report).
- 7.3 Save as noted in paragraph 7.2 above, to the extent that there is any inconsistency between any statement in or incorporated by reference in the Supplementary Prospectus and any other statement in or incorporated by reference in the Prospectus, the statements in or incorporated by reference in this Supplementary Prospectus will prevail.

25 July 2022