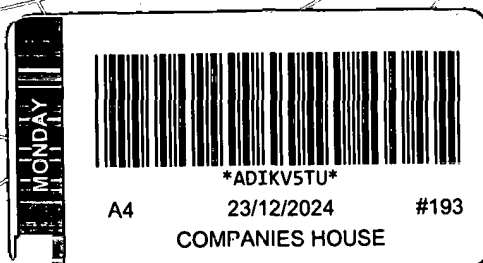


**GABELLI**  
MERGER PLUS+ TRUST PLC

# Gabelli Merger Plus+ Trust plc Annual Report and Accounts For the year ended 30 June 2024



*"We invest like owners. We invest primarily in the equity securities of cash generating, franchise companies, selling in the public market at a significant discount to our appraisal of their Private Market Value. We define Private Market Value (PMV) as the value an informed industrialist would pay to purchase assets with similar characteristics in a privately negotiated transaction. We measure PMV by scrutinizing on- and off-balance sheet assets and liabilities and free cash flow. As a reference check, we examine valuations and merger transactions in the public domain. Our investment objective is to achieve a long-term annualised return in excess of inflation for our clients."*

## **Our Investment Approach**

### **Continuing a Value Investing Legacy**

- Our Firm's approach is founded on the principles of Graham & Dodd
  - Furthered academically by our founder Mario Gabelli
  - Establish values to determine margin of safety
  - Invest within circle of competence
  - Invest like owners of businesses
- Intensive proprietary research culture
  - Focused and rigorous independent fundamental analysis in valuing the underlying business using publicly available information including data from customers, competitors, products and new technologies
  - Announcement of a merger with definitive terms starts the process
  - Merger investing benefits from the Gabelli core fundamental approach by establishing real world value before initiating positions

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***Gabelli supplements the principles of Graham & Dodd through the implementation of our proprietary Private Market Value (PMV) with a Catalyst™ approach***

Gabelli Merger Plus<sup>+</sup> Trust Plc's primary investment objective is to seek to generate total return consisting of capital appreciation and current income for the long term.

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# Portfolio Summary

## Largest Portfolio Security holdings

| Security <sup>1</sup>          | Offsetting position <sup>2</sup> | As at 30 June 2024                        |                                 |                                            |
|--------------------------------|----------------------------------|-------------------------------------------|---------------------------------|--------------------------------------------|
|                                |                                  | % of total portfolio <sup>6</sup> (gross) | Market value <sup>4</sup> \$000 | Offsetting market value <sup>5</sup> \$000 |
| Iless Corp                     |                                  | 7.2                                       | 4,164                           | -                                          |
| U.S. Treasury Bill 1 Aug 2024  |                                  | 5.2                                       | 2,987                           | -                                          |
| U.S. Treasury Bill 20 Aug 2024 |                                  | 5.2                                       | 2,978                           | -                                          |
| Hashicorp Inc                  |                                  | 4.7                                       | 2,714                           | -                                          |
| U.S. Treasury Bill 12 Sep 2024 |                                  | 4.3                                       | 2,474                           | -                                          |
| Endeavor Group Holdings        |                                  | 3.5                                       | 2,038                           | -                                          |
| Amedisys Inc                   |                                  | 3.5                                       | 1,987                           | -                                          |
| Albertsons Cos Inc             |                                  | 3.1                                       | 1,799                           | -                                          |
| United States Steel Corp       |                                  | 2.9                                       | 1,678                           | -                                          |
| Everbridge Inc                 |                                  | 2.9                                       | 1,647                           | -                                          |
| Catalent Inc                   |                                  | 2.8                                       | 1,625                           | -                                          |
| Juniper Networks Inc           |                                  | 2.8                                       | 1,610                           | -                                          |
| Pnm Resources Inc              |                                  | 2.8                                       | 1,584                           | -                                          |
| Axonics Inc                    |                                  | 2.6                                       | 1,489                           | -                                          |
| Capri Holdings Ltd             |                                  | 2.4                                       | 1,406                           | -                                          |
| Squarespace Inc                |                                  | 2.2                                       | 1,237                           | -                                          |
| Hibbett Inc                    |                                  | 2.1                                       | 1,195                           | -                                          |
| Stericycle Inc                 |                                  | 2.0                                       | 1,131                           | -                                          |
| National Western Life Group    |                                  | 1.9                                       | 1,068                           | -                                          |
| Haynes International Inc       |                                  | 1.9                                       | 1,065                           | -                                          |
| Sub-total Top 20 Holdings      |                                  | 66.0                                      | 37,876                          | -                                          |
| Other holdings <sup>7</sup>    |                                  | 34.0                                      | 19,612                          | (350)                                      |
| Total holdings                 |                                  | 100.0                                     | 57,488                          | (350)                                      |

<sup>1</sup> Long position.

<sup>2</sup> Offsetting position taken, based on the acquirer of the security when acquirer stock is being offered in whole, or in part, to finance the transaction.

<sup>3</sup> Represents the total position value (market value plus the offsetting market value) as a percentage of the total portfolio value.

<sup>4</sup> Market value of the long position.

<sup>5</sup> Market value of the offsetting position.

<sup>6</sup> Represents the market value as a percentage of the total portfolio value.

<sup>7</sup> Includes derivatives, individual positions are each less than \$750 thousand in market value.

## Portfolio allocation

|                                        | %     |
|----------------------------------------|-------|
| Equities                               | 84.0  |
| Fixed income                           | 16.1  |
| Derivatives (contracts for difference) | (0.1) |
| Total                                  | 100.0 |

# Financial Highlights

| Performance                                             | As at<br>30 June 2024      | As at<br>30 June 2023      |
|---------------------------------------------------------|----------------------------|----------------------------|
| Net asset value per share (cum income) <sup>1,2,7</sup> | <b>\$10.04</b>             | <b>\$10.22</b>             |
| Net asset value per share (ex income) <sup>3,7</sup>    | <b>\$10.12</b>             | <b>\$10.52</b>             |
| Dividends per share paid during the year <sup>4</sup>   | <b>\$0.48</b>              | <b>\$0.12</b>              |
| Share price <sup>5</sup>                                | <b>\$9.00</b>              | <b>\$9.00</b>              |
| Discount to Net Asset Value <sup>6,7</sup>              | <b>10.36%</b>              | <b>11.94%</b>              |
|                                                         |                            |                            |
| Total returns                                           | Year ended<br>30 June 2024 | Year ended<br>30 June 2023 |
| Net asset value per share <sup>7,8</sup>                | <b>3.14%</b>               | <b>10.54%</b>              |
| U.S. 3-month Treasury Bill Index                        | <b>5.36%</b>               | <b>3.80%</b>               |
| Share price <sup>7,9</sup>                              | <b>5.39%</b>               | <b>1.33%</b>               |
|                                                         |                            |                            |
| Income                                                  | Year ended<br>30 June 2024 | Year ended<br>30 June 2023 |
|                                                         |                            |                            |
| Per Share Returns                                       | Year ended<br>30 June 2024 | Year ended<br>30 June 2023 |
| Revenue return per share                                | <b>\$0.12</b>              | <b>\$0.39</b>              |
| Capital return per share                                | <b>\$0.17</b>              | <b>\$0.55</b>              |
| Total return per share                                  | <b>\$0.29</b>              | <b>\$0.94</b>              |
|                                                         |                            |                            |
| Ongoing charges <sup>7,10</sup>                         | Year ended<br>30 June 2024 | Year ended<br>30 June 2023 |
| Annualised ongoing charges                              | <b>2.01%</b>               | <b>2.17%</b>               |

Source: Portfolio Manager (Gabelli Funds, LLC), verified by the Administrator (State Street Bank and Trust Company).

- <sup>1</sup> Net Asset Value (NAV) includes balance sheet adjustments resulting from the Company now being a close company. Such adjustments include deferred tax assets as per Note 8 to the financial statements.
- <sup>2</sup> Cum-income net asset value includes all income, less the value of any dividends paid together with the value of any dividends which have been declared and marked ex dividend but not yet paid. Where the cum-income NAV is lower than the ex-income NAV, this reflects the revenue deficit.
- <sup>3</sup> Ex-Income NAV: Ex-income net asset value is the Cum-income NAV excluding net income (net income being all income, less the value of any dividends paid together with the value of any dividends which have been declared and marked ex-dividend but not yet paid).
- <sup>4</sup> The dividends paid during the fiscal year ended 30 June 2024 were the first, second and third interim dividends for the year ended 30 June 2023. The dividend paid during the fiscal year ended 30 June 2023 was the fourth interim dividend for the year ended 30 June 2022. The Board has continued to review and assess the Company's distribution policy.
- <sup>5</sup> See Chairman's Statement for discussion regarding the Specialist Fund Segment of the London Stock Exchange, on which the Company's Ordinary Shares trade.
- <sup>6</sup> The amount by which the market price per share is lower than the cum-income NAV per share, expressed as a percentage of the cum income NAV per share. Figures are inclusive of income and dividends paid, in line with the Association of Investment Companies (the "AIC") guidance.
- <sup>7</sup> These key performance indicators are alternative performance measures. Further information regarding the use of alternative performance measures can be found on pages 11 and 12 in the Annual Report and Financial Statements as at 30 June 2024.
- <sup>8</sup> Net Asset Value per ordinary share, total return represents the theoretical return on NAV per ordinary share, assuming that dividends paid to shareholders were reinvested at the NAV per ordinary share at the close of business on the day shares were quoted ex-dividend.
- <sup>9</sup> Share Price Total Return represents the theoretical return to a shareholder, on a closing market price basis, assuming that all dividends received were reinvested, without transaction costs, into the ordinary shares of the Company at the close of business on the day the shares were quoted ex-dividend.
- <sup>10</sup> Ongoing Charges are operating expenses incurred in the running of the Company, whether charged to revenue or capital, but excluding financing costs. These are expressed as a percentage of the average net asset value during the period and this is calculated in accordance with guidance issued by the Association of Investment Companies.

# Statement From The Chair

## Introduction

Gabelli Merger Plus\* Trust Plc (the "Company") was incorporated in England and Wales on 28 April 2017. Its shares trade under the symbol "GMP" and have been listed on the Specialist Fund Segment of the Main Market of the London Stock Exchange and the Official List of the International Stock Exchange since 19 July 2017.

The Company's objective is to generate total returns, consisting of capital appreciation and current income. The Company's secondary objective is the protection of capital, uncorrelated to equity and fixed income markets. The Company has broad and flexible investment authority and, accordingly, it may at any time have investments in other related or unrelated areas.

This is the Company's second annual report to shareholders as a close company, while no longer availing itself of investment trust status, as per Section 1158 of the Corporation Tax Act 2010 ("S1158"). The Company is classified as an investment company and accordingly is a member of the Association of Investment Companies ("AIC").

After consultation with minority shareholders, the Company determined that continued adherence to the AIC's SORP is in the best interests of the investment company despite no longer remaining S1158 eligible. The largest shareholder, Associated Capital Group, Inc., is intent on continuing with the listed vehicle and growing value in the markets in accordance with the investment policy.

The Deferred Tax Asset ("DTA") increases the book value of the standard portfolio NAV from \$9.63 per share to \$10.04 per share as of 30 June 2024. The DTA is expected to preserve tax advantages into the medium term. The Board believes there is currently no material NAV impact to the Company and its shareholders from the loss of S1158 status.

The Company's Ordinary Shares trade on the Specialist Fund Segment of the London Stock Exchange. Secondary liquidity for the Company's Ordinary Shares is available via the trading system known as SETSqx, which is an auction based trading process. It is quote based throughout the day, until the auctions at U.K. times: 8am, 9am, 11am, 2pm and 4:35pm, when buyers and sellers can cross orders with each other. As there is no market maker, absent a "match" in prices, a trade would not occur. The closing market price is based

on the last actual trade on the day or from any previous trading session when the last trade occurred. Thus there would have to be a match at the prescribed auction times to "meet" on price and quantity for an execution to occur.

The 7½% discount management mentioned in the offering prospectus is not a policy and the Board instead reviews overall conditions on a regular and frequent basis.

The Board is always receptive to feedback and welcomes any questions and comments from shareholders.

## Performance

The Company's Net Asset Value ("NAV") at 30 June 2024 was \$10.04 per share, generating a total return of 3.14% for the year ended 30 June 2024.

The Company has provided a total return of 35.91% since issuance. This includes the costs of the issue resulting in a starting NAV of \$9.92 per share compared with the issue price of \$10.00 per share, and initial closing market price of \$10.15 per share.

## Repurchase of Ordinary Shares

On 31 January 2024 the Board announced the commencement of an On-Market Repurchase ("OMT") via a SETSqx tender. On 16 February 2024 the Company announced the successful completion of the OMT, in which the Company repurchased 19,500 Ordinary Shares.

No further buybacks or tenders are expected at this time.

## Loyalty Programme

The Company has implemented a Loyalty Programme to incentivise long-term share ownership. The Loyalty Programme is open to all shareholders who are entered in the Loyalty Register, a separate register to allow a shareholder to increase its voting power after holding shares for a continuous period of at least five years. Each shareholder so registered will be entitled to subscribe for one Special Voting Loyalty Share in respect of each Ordinary Share held. These shares can also be used as a form of consideration when entering into one or more agreements to acquire operating businesses in accordance with the Investment Policy.

During the year ended 30 June 2024, Associated Capital Group, Inc. subscribed for 6,179,100 Special Voting Loyalty Shares, the maximum amount it was permitted under the Loyalty Programme.

## Dividend

Through 30 June 2024 the Company paid dividends of \$2.87 per Ordinary Share, totaling \$27.4 million:

| Fiscal Year  | Per share (\$) | Total (\$ million)  |
|--------------|----------------|---------------------|
| 2018         | 0.35           | 3.6 million         |
| 2019         | 0.48           | 5.0 million         |
| 2020         | 0.48           | 5.0 million         |
| 2021         | 0.48           | 4.9 million         |
| 2022         | 0.48           | 4.9 million         |
| 2023         | 0.12           | 0.8 million         |
| 2024         | 0.48           | 3.2 million         |
| <b>Total</b> | <b>2.87</b>    | <b>27.4 million</b> |

The Company expects to make future dividend payments based upon the available revenue reserve, comprised of interest and dividend income earned less operating expenses but excluding the impact of any non-cash tax charges such as deferred taxes. This policy will be subject to continuous review by the Board.

## Expansion of Operating Investment Activities

Subsequent to 30 June 2024, the Company acquired its affiliated UK investment manager, Gabelli Securities International UK Limited ("GSIL UK"), a limited company organised and existing under the laws of England and Wales. The transaction was financed through the issuance of new ordinary shares at a premium to the Company's Net Asset Value. The Company's shareholders will benefit from the increase to the Company's cash and investments of approximately \$1 million as it absorbs GSIL UK's balance sheet. The acquisition positions the Company to increase sources of income, allowing for both self-management and the broadening of services to affiliated and third parties.

## Outlook

We are enthusiastic for the year ahead.

The U.S. economy continues to expand. Some of this is due to productivity growth (thanks to AI), some is due to more workers in the labor force (thanks to workers who left the work force during COVID coming back). Also helping the economy is a huge amount of fiscal stimulus, which unfortunately means the U.S. government is running a deficit to GDP ratio of about 7%, unheard of in an economy near full employment. For now, the stock market does not seem to be concerned about the huge debt levels

building up in the economy, but at some point politicians will need to address government debt levels.

Looking ahead, the trajectory of inflation and the resilience of the labor market will be crucial in shaping the Federal Reserve's actions. Should inflation continue to trend downward and labor market conditions soften, the likelihood of rate cuts will increase. However, the Fed's commitment to a data-driven strategy involves careful monitoring of various other economic indicators to avoid premature adjustments that could undermine the progress made so far.

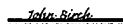
Yields in the Treasury space will remain influenced by Fed policy and Treasury bill supply. With front-end yields elevated and the Fed still wary of inflation, we expect the investment environment for government money market funds to remain attractive. As with non-government debt, Government and Treasury fund yields have probably peaked and will continue to gradually decline as managers roll maturities into securities with lower yields that are pricing in future rate reductions. Additionally, any large supply changes in Treasury issuance may create yield volatility on the front end.

We expect M&A activity to remain strong with pent up demand likely to drive transaction announcements. Companies will gain further clarity into the Federal Reserve's interest rate policy and the upcoming U.S. presidential election's potential impact to regulatory changes, but perhaps the main issue which buyers and sellers continue to monitor is the more stringent antitrust environment. Within the U.S., the Federal Trade Commission (FTC) continued its watchful eye on deals, requesting additional information from merging parties including the energy and healthcare sectors. Deals continue to close as merging parties are drafting strong merger agreements with additional time to consummate deals, in the event of regulatory delays. The drivers for M&A activity to remain robust over the coming years include the need to compete on a global basis, acquire new technological advancements and enter new and growing business units.

In the current high-yielding environment, it is strategically advantageous to allocate a portion of the Company's assets to U.S. Treasury bills due to the numerous benefits they offer. Treasuries stand out for their ability to provide competitive returns when compared to other fixed-income securities and given their short-term nature allows

for frequent reinvestment at prevailing interest rates, potentially maximizing the overall yield of the portfolio over time. Moreover, Treasuries are highly liquid and can be easily bought and sold without significantly affecting their value. This liquidity not only enhances the flexibility of the Company's investment strategy but also allows for swift adjustments in response to changing market conditions.

I extend a welcome to all our shareholders for the next phase of exciting growth.

  
John Birch

Co-Chairman  
29 October 2024

Marc Gabelli  
Co-Chairman



# The Search For Value – Gabelli Merger Plus+ Investment Methodology

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## Process in Action

Gabelli Funds approach the global marketplace in a similar fashion; we invest like owners. Our clients own businesses through the fractional interest of a share. We are not index benchmarked, and construct portfolios agnostic of market capitalisation and index weightings. We seek long-term capital appreciation for our clients relative to inflation over the long term, regardless of market cycles. We have invested this way since 1977.

The Gabelli Merger Plus portfolio offers access to companies that have been identified to have substantial disconnects between market price and our estimate of the business value (PMV), and where catalyst events exist that may narrow these discounts for the benefit of GMP shareholders. We thus establish a "Margin of Safety" for our investors by identifying differences between our estimate of PMV and the stock market price. The process seeks to identify businesses undergoing some form of strategic change, typically with strong organic cash flow characteristics, balance sheets reorganizational opportunities, and strategic operational flexibility accelerated with the prospect of management capital allocation actions.

Catalyst merger events can come in many forms including, but not limited to, corporate restructurings (such as demergers and asset sales), operational improvements, regulatory or managerial changes, special situations (such as liquidations), and mergers and acquisitions. Corporate mergers provide valuable insights into corporate capital allocation decisions and therefore help in our assessment of long-term valuations. Our proprietary research data bases track thousands of announced deals globally and utilises that compounded knowledge in the continued refinement of Private Market Valuations. PMV's will change over time, and while our analysis is long term, it is through this consistent process of bottom up stock selection and the implementation of disciplined portfolio construction that we expect to create value for our shareholders annually.

In this process, we do sector-by-sector analysis, assessing the PMV of a business, and identifying the catalyst in place to realise returns. A company's PMV is not constant, and changes as a function of many variables. Our analysis emphasizes balance sheets, cash flows, and the long-term defensible position of a corporation. We achieve returns through investing in businesses utilising our

proprietary Private Market Value ("PMV") with a Catalyst™ methodology. We PMV is the value that we believe an informed buyer would be willing to pay to acquire an entire company in a private transaction. Our team arrives at a PMV valuation by a rigorous assessment of fundamentals from publicly available information. Further, PMV's are enhanced through the analysis of announced corporate mergers and acquisition activity. Mergers offer tangible insights into the long-term capital allocation decisions of global corporations. We focus on the balance sheet, earnings, free cash flow, and the management, the stewards of corporates assets, of prospective companies. The judgement gained from our comprehensive, accumulated knowledge across a variety of sectors is deployed for investors in a portfolio. Our analysts typically forecast model company operations 5 years into the future. Unlike Wall Street's earnings momentum players, we do not try to forecast earnings with accounting precision and then trade stocks based on quarterly expectations and realities. We simply try to position ourselves in front of long-term earnings trends. Throughout our research process, the focus is on free cash flow: earnings before interest, taxes, depreciation and amortization ("EBITDA") minus the capital expenditures necessary

# The Search For Value – Gabelli Merger Plus+ Investment Methodology continued

to grow the business. We believe free cash flow is the best barometer of a business' value. Deteriorating or rising free cash flow often foreshadows net earnings changes. We also look at earnings per share trends. In addition, we analyse on and off balance sheet assets and liabilities such as property, plant and equipment, inventories, receivables, and legal, environmental and health care issues. We want to know everything and anything that will add to, or detract from, our valuation models. This method of analysis involves looking at businesses as a function of their assets and earnings power. We examine businesses as if we were owners of those businesses, and we believe that we can do that in a rational way by looking at industries on a global basis. Our investment professionals visit with hundreds of companies each year. Our work is proprietary, bottom up, and involves the full utilisation of public resources.

Our analysts follow industries on a global basis, and narrow the universe of potential investment candidates to a short list of the most attractive companies. All publicly available company material is reviewed, including annual and quarterly reports, 10-Ks, 10-Qs, and proxy statements.

Each analyst develops an operational understanding of their industry, effectively becoming an expert in that industry. The analysts hone this expertise by continually visiting companies and their senior managements, and by talking to competitors, suppliers and customers. They also develop and maintain government and trade sources to derive an overall understanding of their industry. In addition, our firm hosts a number of industry seminars, where the top executives of the leading firms share their insights with the investment community.

The objective of this process is to identify companies that trade at significant differences to their intrinsic or private market values.

We continually visit the management of hundreds of companies and integrate their input with our knowledge base. Our goal is to understand management's motivations and expectations. Given our approach, we want to know who our partners are and if they are working to enhance shareholder value. This process, coupled with our financial analysis, helps us select the most attractive investment candidates for our portfolios.

We employ a three-dimensional approach to valuation:

- Earnings per share
- Free cash flow
- Private market value

The first step is to analyse the income statement and cash flow. Cash flow is viewed as a barometer of financial health, and often foreshadows earnings trends. We attempt to forecast the direction and growth rates of the earnings and cash flow streams.

The second step is to examine the balance sheet. The corporate balance sheet is recast, assessing real-world values of inventories, property, plant and equipment and stated book value.

To these two analytical processes, dynamic forecasting and static asset and liability valuation, we add our assessment of the PMV of the business. In other words, what would this company be worth to an informed business person attempting to create or purchase a business with similar characteristics?

**Catalyst:** Identification of a mispriced situation, however, does not necessarily guarantee a rewarding investment. The next step is to determine events in businesses undergoing some form of strategic change that will help narrow the spread between a stock's public market price and our determination of its PMV. We call these events catalysts. Catalysts include industry events such as consolidation, changes in the regulatory or accounting environment, new technologies, or be indigenous to the company itself such as financial engineering, demergers, acquisitions or sales.

**Results:** After we have identified and selected stocks that qualify as candidates based on these fundamental and conceptual considerations, our objective is to structure a diversified portfolio. This has been a proven long-term method for creating wealth, risk adjusted, in the stock market.

## Manager History

The Gabelli organisation, of which Gabelli Funds, LLC is an affiliate, began in the U.S. in 1976 as an institutional value investing research firm. Mario Gabelli, the firm's founder, is credited by the academic community for establishing the notion of Private Market Value ("PMV"), the value an informed industrialist would pay for an entire business in a negotiated transaction. This is a long-term oriented, bottom-up investment process based on the fundamental investment principles first articulated in 1934 by Graham and Dodd, the founders of modern security analysis, and further augmented by Mario Gabelli in 1977 with his introduction of the concepts of PMV into equity analysis. Gabelli has added the element of a catalyst event to generate long-term returns. The Gabelli method, PMV with a Catalyst™, is part of the Value Investing Curriculum at many major business schools and is thus applied in the analysis of public equity securities by Gabelli Funds for shareholders.

# Investment Objective and Policy

## Investment objective

The Company's primary investment objective is to seek to generate total return, consisting of capital appreciation and current income for the long term. The Company will seek a secondary objective of the protection of capital, uncorrelated to equity and fixed income markets.

## Investment policy

The Company will seek to meet its long-term investment objective by utilising the Gabelli Private Market Value (PMV) with a Catalyst™, investment methodology, maintaining a diversified portfolio of event merger arbitrage strategies to seek to create an optimal risk/reward profile for the portfolio. The company invests for the long term as owners with an emphasis on cash generating, franchise companies, selling at a significant discount to our appraisal of their Private Market Value. We define Private Market Value (PMV) as the value an informed industrialist would pay to purchase assets with similar characteristics in a privately negotiated transaction.

"Event Driven Merger Arbitrage" is a highly specialised active investment approach designed principally to profit from the differences between PMV estimates and public market price with returns realised through the price achieved through corporate catalyst events. Catalysts are utilised to earn returns independent of the broad markets' direction. This includes corporate events such as, but not limited to, management changes, announced mergers, acquisitions, takeovers, tender offers, leveraged buyouts, restructurings, demergers and other types of reorganisations and corporate actions ("deals").

The Company will invest and operate globally although it is expected to have an emphasis on predominantly equity securities issued by companies in the United States of any market capitalisation. The Company is permitted to use a variety of investment strategies and instruments, including but not limited to: minority or majority controlling operating interests in equity; convertible and non-convertible debt securities; asset-backed and mortgage-backed securities; fixed interest securities; preferred stock, non-convertible preferred stock, depositary receipts; shares or units of UCIs or UCITS as an investment or by management contract; rights qualifying as transferable securities; when issued, delayed delivery transferable securities; forward contracts; swaps; recently issued transferable securities; repurchase agreements, money market instruments and warrants.

The Company may invest part of its net assets in cash and cash equivalents, money market instruments, bonds, commercial paper or other debt obligations with banks or other counterparties having at least a single A (or equivalent) credit rating from an internationally recognised rating agency or government and other public securities, if the Portfolio Manager believes that it would be in the best interests of the Company and its Shareholders. This may be the case, for example, if the Portfolio Manager believes that adverse market conditions justify a temporary defensive position. Any cash or surplus assets may also be temporarily invested in such instruments pending investment in accordance with the Company's investment policy.

The Company may take both long and short positions in equity and debt securities. For shorting purposes, the Company may use indices, individual stocks, or fixed income securities. The Company is a long-term investor and does not seek to generate short-term returns or profits from trading or hedging. While taking a long-term view, the Company will realise opportunities from hedging or for shorter-term gains when appropriate.

The Company may utilise financial derivative instruments to create both long and synthetic covered short positions with the aim of maximising positive returns. The Company may use strategies and techniques consisting of options, futures contracts, and currency transactions and may enter into total rate of return, credit default, or other types of swaps and related derivatives for various purposes, including to gain economic exposure to an asset or group of assets that may be difficult or impractical to acquire.

The Company may also use derivatives for efficient portfolio management purposes including, without limitation, hedging and risk management and leverage.

The Company has broad and flexible investment authority and, accordingly, it may at any time have investments in other related or unrelated areas. Strategies and financial instruments utilised by the Company may include, but are not limited to: (i) purchasing or writing options (listed or unlisted) of any and all types including options on equity securities, stock market and commodity indices, debt securities, futures contracts, future contracts on commodities and currencies; (ii) trading in commodity futures contracts, commodity option contracts and other commodity interests including physical commodities; (iii) borrowing money from brokerage firms and banks on a demand basis to buy and sell short investments in excess of capital; (iv) entering into agreements to acquire operating businesses including managing assets for third parties and (v) entering into swap agreements (of any and all types including commodity swaps, interest rate swaps and currency swaps), forward contracts, currencies, foreign exchange contracts, warrants, credit default swaps, synthetic derivatives (for example, CDOs), collateralised debt obligations tranches, and other structured or synthetic debt obligations, partnership interests or interests in other investment companies and any other financial instruments of any and all types which exist now or are hereafter created.

No material change will be made without shareholder approval.

# Portfolio Manager's Review

Image Removed

## Methodology and Market Opportunity

In this context, let us outline our investment methodology and the investment environment through 30 June 2024.

Merger arbitrage is a highly specialized investment approach designed principally to profit from corporate events, including the successful completion of proposed mergers, acquisitions, takeovers, tender offers, leveraged buyouts, restructurings, demergers, and other types of corporate reorganisations and actions. As arbitrageurs, we seek to earn the differential, or "spread," between the market price of our investments and the value ultimately realized through deal consummation.

We are especially enthusiastic about the opportunities to grow client wealth in the decades to come, and we highlight below several factors that should help drive results. These include:

- Increased market volatility, which enhances our ability to establish positions for the prospect of improved returns
- A robust market for corporate deal making as conditions continue to provide an accommodative market for mergers and acquisitions
- A normalized interest rate environment, providing attractive merger spread opportunities
- The Fund's experienced investment team, which pursues opportunities globally through the disciplined application of Gabelli's investment methodology

## Global Deal Activity<sup>1</sup>

Global deal merger and acquisition activity ("M&A") totalled \$1.5 trillion during the first half of 2024, a year over year increase of 18%. This increase was largely driven by the return of the "mega deal"—those greater than \$10 billion—which totalled \$363 billion, an increase of 70% compared to 2023. Deals with value under \$500 million, on the other hand, accounted for \$354 billion during the first half, down 13% year over year.

The United States continued to be the most popular venue for transactions. Deals involving United States-based targets increased 39% year over year and accounted for 53% of global deal activity. European M&A tallied \$343 billion of transactions over the same period, an increase of 39%. Asia Pacific target M&A lagged—totaling \$226 billion—a 24% decrease year over year.

Cross border M&A activity totalled \$505 billion during the first half of the year, an increase of 15% year over year. Private equity deals saw an uptick as well, an increase of 36% compared to the same period last year. Private equity accounted for 24% of total deal activity.

The Technology sector was the biggest contributor to merger activity during the first half, totalling \$265 billion, accounting for 17% of total announced deal volume. The Energy & Power sector also accounted for 17% of deal activity.

## Portfolio in Review

Equity markets continued their move higher to start the year, as the Fed's ability to orchestrate a "soft landing"—taming inflation while avoiding a recession—

seems increasingly likely with every data release. Through the first six months of 2024, the S&P 500 returned 15%; however, similarly to 2023, this performance was driven by a handful of stocks. The top ten stocks accounted for 70% of the returns with the remaining 490 stocks returning only 4%.

Our merger arbitrage portfolios earn returns from taking asymmetrical deal risk and not market risk. The return profile of the fund is a function of investing in M&A transactions, earning a "spread" upon deal closure, and reinvesting that capital into newly announced deals. The opportunity set of transactions we are seeing in the market is robust, as some of the M&A headwinds from the last few years appear to have abated. A plateauing of interest rates, increasing understanding of the regulatory hurdles necessary to complete M&A, and equilibrium in buyer/seller expectations have all helped to spur M&A activity so far in 2024, which totalled \$1.5 trillion globally, up 18% year over year. "Mega deals"—deals over \$10 billion in value—have also seen a resurgence, up 70% so far this year. Additionally, private equity backed M&A accounted for \$370 billion, an increase of 36% compared to the first half of 2023.

Merger arbitrage spreads continue to remain attractive. As we have discussed in the past, the risk-free rate is one of the components of a deal spread and should drive spread levels for transactions on the safer side of the risk spectrum. Even with Federal Reserve rate cuts looming, we expect a more normalized interest rate environment than we have seen over the past decade; thus creating a more compelling spread environment going

<sup>1</sup> Thomson Reuters M&A Review - First Half 2024

# Portfolio Manager's Review continued

forward. Spread levels for deals that skew on the riskier side have naturally remained wider and will continue to be driven by regulatory and other specific risks involved. While regulators have been more aggressive in recent years in challenging transactions such as Capri and Albertson's, the vast majority of transactions are able to close. We feel this regulatory environment has created unique investment opportunities with an attractive risk/reward.

We continue to find attractive investment opportunities in newly announced and pipeline deals. We remain focused on investing in highly strategic, well-financed deals with an added focus on near-term catalysts, and are upbeat about our prospect to generate absolute returns.

Notable contributors to performance include:

**Commercial and Industrial Services**  
Applus Services (APPS-SM), a Spanish testing and inspection company, was the subject of a competitive bidding process between private equity firms, which began last summer. Apollo initially bid €9.50 for the company, while I Squared and TDR offered to pay €9.75. After multiple rounds of bidding, the Spanish markets regulator, CNMV, confirmed in April that the I Squared and TDR consortium submitted the winning bid of €12.78 cash per share, or approximately €1.7 billion.

**Music and Entertainment**  
Hipgnosis Songs Fund (SONG-LN), a UK based portfolio of music rights, also benefitted from a bidding war. Hipgnosis

will be acquired by Blackstone for \$1.31 cash per share or \$1.6 billion. Hipgnosis originally agreed to be acquired by Concord Music for \$1.14 cash per share or \$1.4b. Blackstone made a competing offer of \$1.24 cash per share, which Concord Music countered by raising their bid to \$1.25. Blackstone ultimately delivered the knockout bid of \$1.30, which it eventually upped to \$1.31 cash per share.

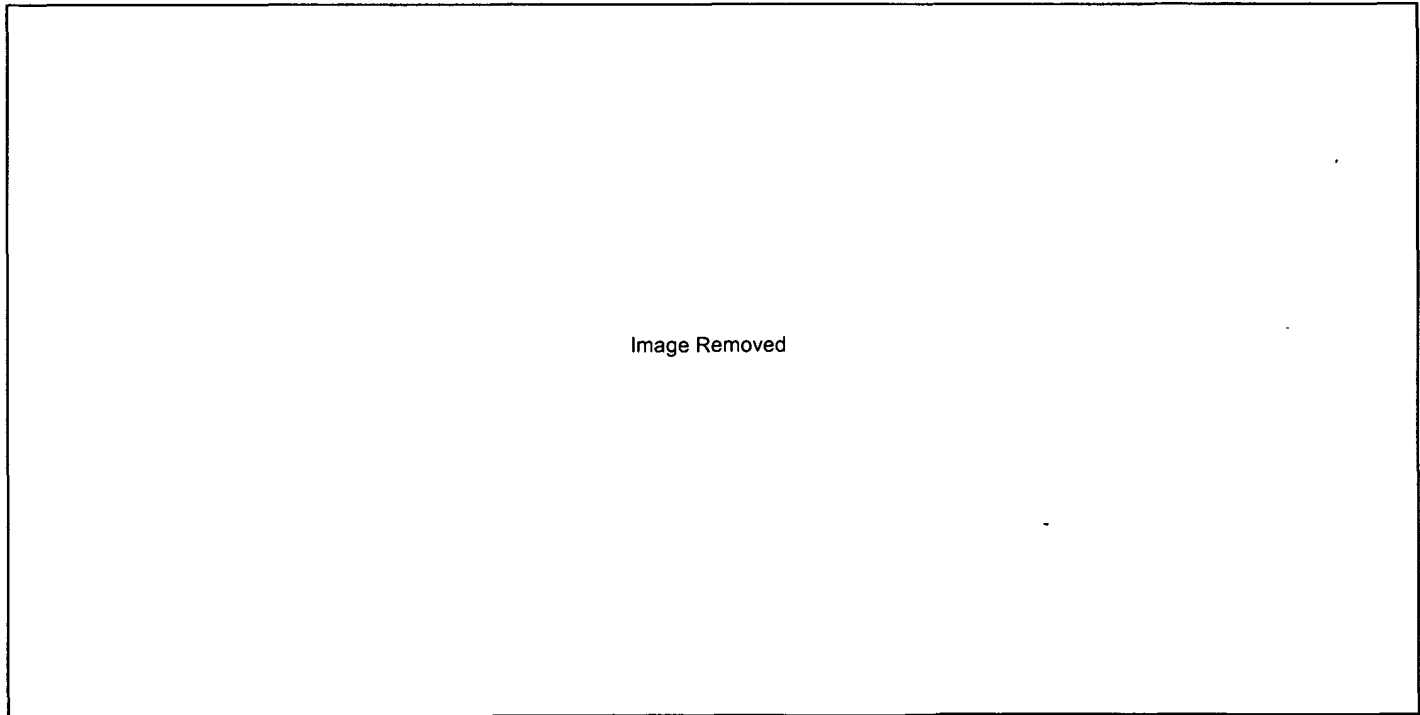
**Biotech Pharma**  
Immunogen (IMGN-NASDAQ), a biotechnology company developing targeted therapies to treat cancer, was acquired by AbbVie in February for \$31.26 cash per share, or about \$9 billion. Shares of Immunogen traded at a 6% discount to deal terms in the days before the deal closed, reflecting the uncertainty over whether the US FTC would launch a phase 2 antitrust investigation, but the FTC approved the deal and it subsequently closed on February 13.

Karuna Therapeutics (KRTX-NASDAQ), a biopharmaceutical company whose next generation drug KarXT has been submitted to the FDA for approval to treat schizophrenia and will likely be used to treat other neurological disorders, received US antitrust approval to be acquired by Bristol-Myers Squibb. Under terms of the agreement Karuna shareholders received \$330 cash per share, or about \$12 billion. Shares of Karuna traded at a large discount to deal terms (as much as 5% gross) in the weeks leading up to approval as investors debated the likelihood of the FTC clearing the deal, or pushing it into a phase 2 review, which would have extended the timeline of the transaction.

**Energy and Exploration**  
Pioneer Natural Resources (PXD-NYSE), an independent oil and gas exploration and production company in Texas, was acquired by Exxon Mobil following an extended antitrust review that yielded minor concessions by the merging companies as a condition to FTC approval. Under terms of the agreement Pioneer shareholders received 2.3234 shares of Exxon Mobil common stock, which valued the transaction at \$68 billion.

**Cloud Computing and Data**  
Splunk (SPLK-NASDAQ), which develops software that monitors, detects and protects enterprise computer systems, was acquired by Cisco Systems for \$157 cash per share, or about \$28 billion. The deal closed faster than initially expected after receiving US antitrust approval without an extended review, and the deal closed shortly after receiving clearance from the European Commission.

**Merger investing**  
Merger arbitrage is a highly specialised component of a portfolio. The investment approach is designed principally to profit from corporate events, including the successful completion of proposed mergers, acquisitions, takeovers, tender offers, leveraged buyouts, restructurings, demergers, and other types of corporate reorganisations and other actions. As arbitrageurs, we seek to earn the differential, or "spread," between the market price of our investments and the value ultimately realised through deal consummation.



# Strategy

## Our Key Performance Indicators ("KPIs")

The Company's strategy is to generate returns for its shareholders by pursuing its investment objective while mitigating shareholder risk, by investing in a diversified spread of equity investments. Through a process of bottom-up stock selection and the implementation of disciplined portfolio construction, we aim to create value for the Company's shareholders.

The largest holdings in the Company's portfolio are listed in the Portfolio Summary.

## Gearing Policy

At the sole discretion of the Portfolio Manager, the Company may use leverage as part of its investment programme. It is anticipated that the Company will structurally gear and use tactical leverage or portfolio borrowings in an amount (calculated at the time of investment) of around 2 times of the Net Asset Value, subject to maximum gearing of 2.5 times the Net Asset Value. Please refer to the Glossary for further discussion of gearing.

## Leverage

Leverage is calculated using two methods: i) Gross method and ii) Commitment method. For further details please see the Glossary.

## Business Model

Please see the Process in Action on page 6.

## Board Diversity

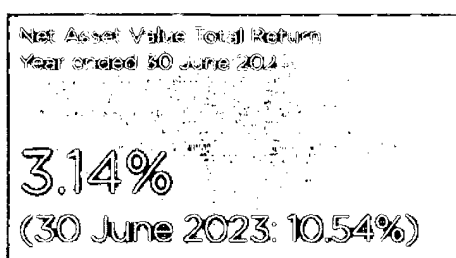
Please see the "Board Diversity" section in the Corporate Governance Report.

## Key Performance Indicators ("KPIs")

The Board recognises that it is share price performance that is most important to the Company's shareholders. Fundamental to share price performance is the performance of the Company's net asset

value. The central priority is to generate returns for the Company's shareholders through net asset value and share price total return, and discount management.

For the year ended 30 June 2024, the Company's KPIs, as monitored closely by the Board at each meeting, are listed below:



The above table sets out the key KPIs for the Company. These KPIs fall within the definition of 'Alternative Performance Measures' (APMs) under guidance issued by the European Securities and Markets Authority (ESMA). Information explaining how these are calculated is set out in the Glossary. These KPIs including APMs have been carefully selected by the Board on discussion with the Portfolio Manager, to give the most appropriate overview of performance in the financial year to shareholders and other stakeholders.

|                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|----------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Performance measured against various indices | <p>The Company does not use a benchmark. However, at each meeting the Board reviews and compares portfolio performance in the context of the performance of the ETF MNA and Credit Suisse Merger Arb Liquid indices.</p> <p>Information on the Company's performance is given in the Chairman's Statement and the Portfolio Manager's Review.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Share Price Total Return                     | <p>The Company's primary investment objective is to seek to generate total return consisting of capital appreciation and current income for the long term.</p> <p>In order to allow the Shareholders to realise a predictable, but not assured, level of cash flow and some liquidity periodically on their investment, the Company has adopted a "managed dividend policy". This policy seeks to pay Shareholders a quarterly dividend in relation to the Net Asset Value of the Company at the time, which may be changed at any time by the Board. Between inception and 30 June 2024, the Company returned \$2.87 per share to shareholders, consistent with its dividend policy. Dividends are paid only when declared by the Board subject to the Board's assessment of the Company's financial position and only if the Company has sufficient income and distributable reserves to make the dividend payment, and the level of dividend may vary over time. As such, the portfolio's managed distribution of capital through the payment of quarterly dividends is under review as we enter the new Fiscal Year. Additional information can be found in the Glossary.</p> |

1 Net Asset Value per ordinary share, total return represents the theoretical return on NAV per ordinary share, assuming that dividends paid to shareholders were reinvested at the NAV per ordinary share at the close of business on the day shares were quoted ex-dividend.

2 Share Price Total Return represents the theoretical return to a shareholder, on a closing market price basis, assuming that all dividends received were reinvested, without transaction costs, into the ordinary shares of the Company at the close of business on the day the shares were quoted ex-dividend.

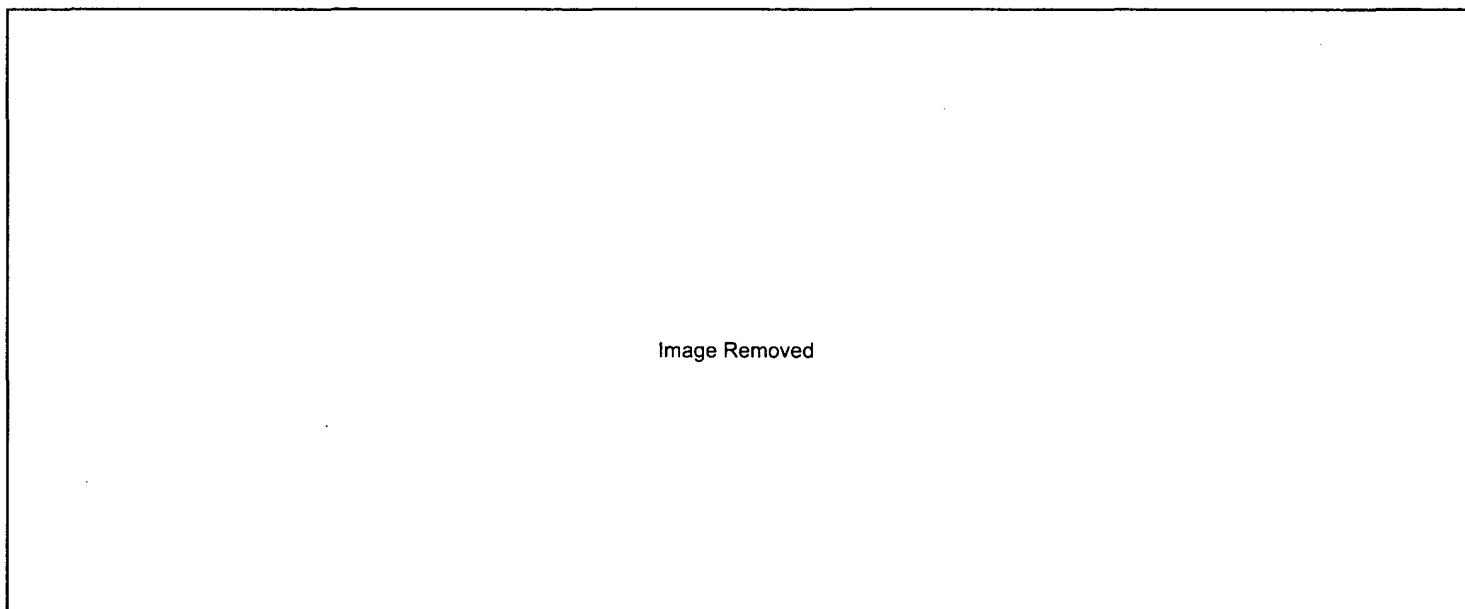
3 The amount by which the market price per share is lower than the cum-income NAV per share, expressed as a percentage of the cum-income NAV per share. Figures are inclusive of income and dividends paid, in line with the Association of Investment Companies ("AIC") guidance.

# Strategy continued

|                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|---------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Share price discount to net asset value (NAV) per share | <p>The NAV per share is published on a daily basis on the London Stock Exchange and The International Stock Exchange. The NAV is calculated in accordance with the Association of Investment Companies (AIC) formula.</p> <p>At each Board meeting, the Board monitors the level of the Company's discount to NAV, the changes thereto and the reason for such changes. The Directors recognise the importance to investors that the shares should not trade at a significant discount to NAV. Accordingly, the Board would consider implementing a share buy back programme to ensure that the share price does not trade at a significant discount to the NAV.</p> <p>In the year under review, the Company's shares traded at a discount of 10.36% as of 30 June 2024 and at a discount of 11.94% as of 30 June 2023.</p> |
|---------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

Performance is assessed on a total return basis for the NAV and share price.

Cumulative Performance Chart (USD) from 19 July 2017



Cumulative performance from 1 October 2022 includes the deferred tax asset.

1 The Company presents returns compared to the Credit Suisse Merger Arbitrage Liquid Index ("Credit Suisse Index") and NYLI Merger Arbitrage ETF ("MNA", and formerly IQ Merger Arbitrage ETF). The Credit Suisse Index attempts to employ the merger arbitrage strategy by using a quantitative methodology to track a dynamic basket of securities held as long or short positions and cash weighted in accordance with the index rules to reflect publicly announced merger and acquisition transactions that meet certain qualifying conditions, including that deals have arbitrage potential. MNA's investment approach is designed to track the performance of the NYLI Merger Arbitrage Index, which seeks to employ a systematic investment process designed to identify opportunities in companies whose equity securities trade in developed markets, including the U.S., and which are involved in announced mergers, acquisitions and other buyout-related transactions. Given the investment strategy of the Company, these are deemed to be appropriate comparators.

## Dividend History

|                     | \$ per share | Ex dividend date | Record date      | Payment date     |
|---------------------|--------------|------------------|------------------|------------------|
| Third interim 2023  | 0.12         | 29 February 2024 | 1 March 2024     | 15 March 2024    |
| Second interim 2023 | 0.24         | 15 February 2024 | 16 February 2024 | 1 March 2024     |
| First interim 2023  | 0.12         | 24 August 2023   | 25 August 2023   | 8 September 2023 |
| <b>Total</b>        | <b>0.48</b>  |                  |                  |                  |

The Board continues to review and assess the Company's distribution policy.

# Principal Risks

The Company continues to have exposure to a variety of risks and uncertainties, and the Audit & Risk Committee has focused attention on identifying and mitigating key risks likely to crystallise in the current economic environment. The Board continues to prioritise a robust system of controls to minimise exposure to global macro events in particular, which remains highlighted as a generic risk as in recent Annual Reports.

The Directors confirm that they have carried out a further robust assessment of the principal risks facing the Company during the year, including those that would threaten its investment objective, business

model, future performance, solvency or liquidity. The Company maintains a risk register which sets out the risks facing the Company, the likelihood and potential impact of each risk and the controls established for mitigation. The risk register is reviewed by the Audit & Risk Committee on a regular basis throughout the financial year and was specifically refreshed in 2023 to introduce more stringent risk ratings for each risk and to reflect the impact of related mitigating controls.

The core principle risks set out in the 2023 Annual Report remain largely unchanged, however there are some risks that have emerged which are set out in the following

table with an explanation of how they are mitigated. On review during the year, the Board re-rated several principal risks and considered the adequacy of mitigating controls in place across the Company's operations and those of its key third party providers. The Audit & Risk Committee has also specifically considered the risks associated with the Portfolio Manager's use of Contracts for Difference within the investment strategy which on review, were felt to continue to be appropriate. The risk narrative in the table below includes a summary of the actions taken to position the Company to withstand the related effects for markets and investments:

| Risk                                                                                                                                                                                                                                          | Mitigation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Investment Portfolio Risks                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Decline in the U.S. equity markets.<br><br>Excessive Portfolio Concentration<br><br>Deal Failure Risk<br><br>Counterparty Risk                                                                                                                | By investing in a diversified portfolio and adhering to a carefully monitored series of investment restrictions, enabled by automated pre-trade compliance features and daily review of trade tickets. These strictures mandate that no single security purchase can, at the time of investment, account for more than 15% of the gross assets of the Company. The Board meets the portfolio management team quarterly at the Board meetings to review the risk factors and their effects on the portfolio, and a thorough analysis of the investment strategy is undertaken.<br><br>The increased scrutiny by U.S. and UK anti-trust authorities on M&A cross border transactions represents an additional source of deal failure risk which the Investment Manager can mitigate via appropriate portfolio diversification and careful stock picking.<br><br>The Board and the Portfolio Manager regularly monitor the Company's exposure to its counterparties. This oversight is intended to minimize the likelihood of loss to the Company resulting from a counterparty's failure to meet its obligations. |
| Global Macro Events Risks                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Sharp Interest Rate Changes                                                                                                                                                                                                                   | The Portfolio Manager monitors the interest rate environment and how those changes would potentially impact the Company's investment strategy.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Operational Risks                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Outsourcing<br>The operational functions of the Company are outsourced to third parties. Systems disruptions, control failures, fraud or inadequate disaster recovery provisions at key service providers could adversely impact the Company. | All third party service providers report to the Board on a regular basis and their reports and representations are reviewed by the Board, the AIF Manager and the Portfolio Manager.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| A state-backed cyberattack could also result in widespread disruption across the financial industry.                                                                                                                                          | Whilst the Board takes all reasonable endeavours to safeguard the Company from a cyberattack on this scale, complete mitigation of this external risk cannot be guaranteed; however the Board, together with its service providers remain vigilant to the likelihood of such an event in the current climate and have improved the company's readiness to reduce disruptions to the company's activities, in the event of such threat.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Fraud and cybersecurity vulnerability could increase for key service providers. Such events are external to the management and beyond the control of the Company.                                                                             | The Board relies on assurances from the Company's key third-party providers that they have appropriate and adequate cybersecurity policies in place to mitigate the risk of a cyberattack. The Board keep these policies under review by receiving regular presentations from the Heads of cybersecurity of its service providers, who describe in detail the efforts they take to secure the company's data and to mitigate the risks of loss or potential damages that could result from such attacks.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |

# Principal Risks continued

| Risk                                                                                                                                                                                                                                                                                                                                                                                                         | Mitigation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Unforeseen global events such as geopolitical crisis, war, act of terrorism or outbreak of pandemics could lead to dramatically increased market instability and Company share price volatility a decline in cross-border M&A activity.                                                                                                                                                                      | Global economic, geopolitical, and financial conditions are constantly monitored. Diversification of Company assets is incorporated into the investment strategy and, if disruptive events occur, the Manager is prepared to adopt a temporary defensive position and invest some or all of the Company's portfolio in cash or cash equivalents, money market instruments, bonds, commercial paper, or other debt obligations with banks or other counterparties, with appropriate ratings as determined by an internationally recognised rating agency and approved by the Board. Another option is the investment in "government and public securities" as defined for the purposes of the Financial Conduct Authority Handbook.<br><br>The Manager continues to carefully manage the Company's investments to protect shareholders' interests and to position the Company to benefit from future performance of markets in line with its key investment principles. |
| <b>Equity Market Volatility</b>                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Equity Market Volatility, which may cause a widening of bid-ask spreads and a wider price discount to NAV.                                                                                                                                                                                                                                                                                                   | To address a discount, the Board may consider using share buybacks, through which shares would be repurchased when trading at a discount from NAV, up to a maximum percentage of 14.99% of the issued share capital. The Company has continued its shareholder engagement programmes to increase its visibility and interaction with existing and potential investors.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>Financial Risks</b>                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Comprise: (i) share price risk (comprising interest rate risk, currency risk and other price related risks); (ii) liquidity risk; (iii) credit risk and (iv) Derivative risk.                                                                                                                                                                                                                                | Further details of these risks are disclosed in Note 12 to the financial statements together with a summary of the policies for managing these risks.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>Tax Risks</b>                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| The Company is no longer eligible to avail itself of Investment Trust Status as per Section 1158 of the Corporation Tax Act 2010 and is consequentially exposed to UK corporation tax payments.                                                                                                                                                                                                              | The Company has engaged reputable, external tax consultants with whom the management team consults with on a regular basis and from whom the Board now receives periodic updates to ensure the Company remains compliant with any tax-related payments and disclosures.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>Corporate Governance and Regulatory Compliance Risks</b>                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Damage to the Company's reputation through inadequate corporate governance arrangements.                                                                                                                                                                                                                                                                                                                     | The Board complies with good governance practices in accordance with the Association of Investments Companies' ("AIC") Code of Corporate Governance guidelines which endorse the UK Corporate Governance Code. The Board and its Committees actively perform self-assessments of compliance through the annual effectiveness evaluations and receive regular advice from by the Company Secretary in relation to any regulatory changes within the corporate governance landscape that may impact the company.                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Failure to comply with legal and regulatory requirements.                                                                                                                                                                                                                                                                                                                                                    | The Company receives and responds to guidance from both its external and internal advisors on compliance with the Listing Rules, the Financial Conduct Authority's Disclosure and Transparency Rules, UK Companies Act 2006, and other applicable regulations.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>Emerging Risks</b>                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>Geopolitical Risks</b>                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Geopolitical risks have risen with Russia's invasion of Ukraine and the conflict in the Middle East. The impact of sanctions and the rise in commodity prices are likely to be primary influences on markets. Rising commodity prices and further disruption to supply chains shall exacerbate inflationary pressure and may also create a negative impact on global growth, with Europe at particular risk. | The Board is keeping these evolving risks and market pressures under constant review and will continue to monitor the volatility around investee company valuations and implications for the Company's likely future dividend income stream.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |

# Viability & Going Concern Statement

In accordance with the provisions of the UK Corporate Governance Code, the Directors have assessed the prospects of the Company over a longer period than the 12 months referred to in the 'Going Concern' guidelines and the Company's accounting policy.

The Board conducted this review focusing on a period of five years. This period was selected as it is aligned with the Company's investment objective of generating total return, consisting of capital appreciation and current income for the long term. In making this assessment the Board also considered the Company's principal risks.

Investment Companies in the UK operate in a well established and robust regulatory environment and the Directors have assumed that:

- Investors will continue to want to invest in closed-end investment companies because the fixed capitalisation structure is suited to pursuing the Portfolio Manager's proprietary long-term PMV with a Catalyst™ investment strategy;
- The Company's remit of investing globally with an emphasis on securities traded in the U.S., and predominantly equity securities issued by companies of any market capitalisation will continue to be attractive to investors.
- The UK's well established investment and robust regulatory environment will continue as such and will remain an attractive global domicile for the Company's remit.

As with all investment vehicles, there is a risk that the performance of individual investments will vary and that capital may be lost, but this is not regarded as a threat to the viability of the Company.

Operationally, the Company retains title to all assets, and cash and securities are held with a custodian bank approved by the Portfolio Manager and the Board.

The nature of the Company's investments means that solvency and liquidity risks are low because:

- The Company's portfolio is invested in readily realisable, listed securities;
- The closed-end nature of the Company means that, unlike an open-ended fund, it does not need to liquidate positions when shareholders wish to sell their shares; and
- The expenses of the Company are predictable and modest in comparison with the assets and there are no capital commitments currently foreseen which would alter that position.
- The taxation of the Company as a close investment company is predictable and modest in comparison with the return profile of the investment programme and as a result of regular consultation with shareholders, an effort to undertake the mitigation of such close status taxation, such as a re-domiciliation, is not expected in the next 12 months.

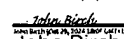
The Board has closely monitored the impact of the war in Ukraine. Those impacts and related continuing uncertainty have short and potentially medium term implications for the Company's investment strategy. The Board is continuing to monitor the implications of the Company no longer having investment trust

status and its implications on the Company's investment return profile over the longer term. In context, the Board continuously monitors the Company's investment portfolio, liquidity and gearing, along with levels of market activity, to appropriately minimise and mitigate consequential risks to capital and future income such as geopolitical risks, financial risks etc. The risks are discussed in more detail in the Chairman's Statement and on pages 13 to 14.

Taking these factors into account, the Directors confirm that they have a reasonable expectation that the Company will continue to operate and meet its expenses.

The Company's portfolio consists primarily of U.S. investments. Accordingly, the Company believes that the post "Brexit" arrangements introduced by the U.K. government and market U.K. government and market regulators will not materially affect the prospects for the Company, but the Board and Portfolio Manager will continue to keep developments under review.

This Viability & Going Concern Statement, the Strategic Report for the year ended 30 June 2024 and the s172 statement have been approved by the Board and signed on its behalf by:

  
John Birch  
Co-Chairman  
29 October 2024.

Marc Gabelli  
Co-Chairman



# Board of Directors

The Directors of the Company who were in office during the year and up to the date of the signing of the financial statements were as follows:

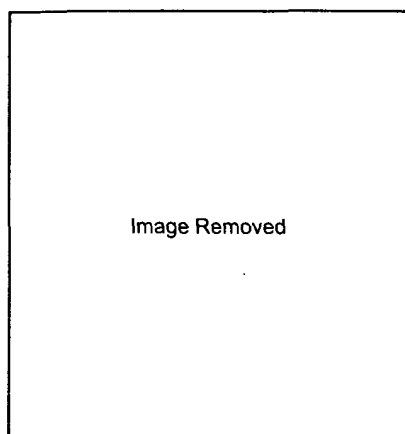


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**Marco Bianconi**

Independent non-executive Director

Chair of the Audit & Risk Committee, member of the Conflicts and Remuneration Committees

Marco is Corporate Development, M&A and Investor Relations Director at Cementir Holding N.V. an international Building Materials manufacturer quoted on the Italian Stock exchange. He previously served for five years as CFO of its parent company Caltagirone SpA. Prior to this he worked for over eight years at Fidelity Investments in London as Portfolio Manager and Pan-European Equity Analyst. Marco holds a number of non-executive roles within the Cementir group and is non-executive director at Henderson European Focus Trust Plc. Marco holds an MBA at NYU Stern School of Business, class 1996 and he is a Chartered Accountant since 1990.

Appointed on 5 June 2017.

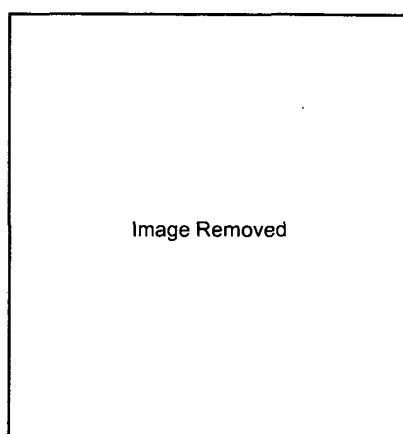


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**John Birch**

Non-executive Director and Co-Chairman

Chair of the Management Engagement and Conflicts Committees, member of the Remuneration and Nomination Committees

John is the Managing Partner of The Cardinal Partners Global S.a.r.l. Previously he was Chief Operating Officer of Sentinel Asset Management, Inc. and Sentinel Administrative Services, Inc., both members of National Life Group. He has also held senior roles in State Street, American Skandia Investment Services, Inc., Gabelli Funds, Inc. and Gabelli International. He has an MA in Tax and over 30 years experience in asset management.

Appointed on 5 June 2017.

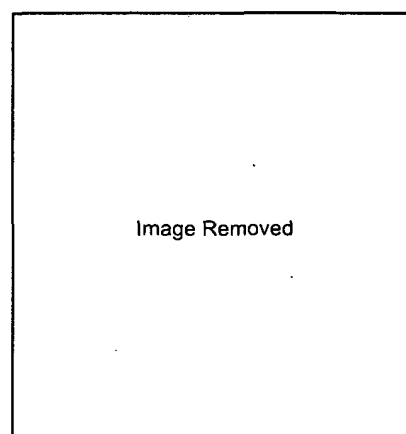


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**Marc Gabelli**

Non-executive Director and Co-Chairman

Chair of the Nomination Committee

Marc is a director and President of the Portfolio Manager's parent company, GGCP, a director of Associated Capital Group "ACG" and is a Senior Portfolio Manager at Gabelli. As a fund manager, his focus is global value equity investments. He has managed several Morningstar five star mutual funds, and a Lipper #1 ranked global equity mutual fund. Marc is active in a variety of charitable educational efforts in the United States and United Kingdom. He has lived and worked in the U.K. at various times, beginning in 1990. He is a graduate of the Massachusetts Institute of Technology (M.I.T.) Sloan School of Management.

Appointed on 28 April 2017.

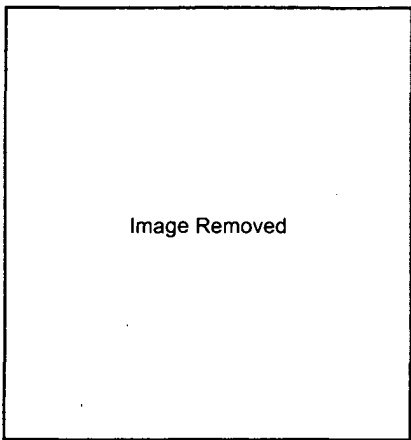


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**John Newlands**  
Independent non-executive Director

Member of the Audit & Risk Committee

John has served more than twenty years in the City of London, most recently with Brewin Dolphin Limited as Head of Investment Companies Research from 2007 to 2017. He was a member of the Association of Investment Companies Statistics' Committee from 2000 to 2017. He has an MBA from Edinburgh University Business School and is a Chartered Electrical Engineer. He has written four books about financial history, the most recent charting the history of Dunedin Income Growth Investment Trust. He is a non executive director of CQS New City High Yield Fund and Chair of Develop North PLC and Deputy Chair of the Investment Committee of Durham Cathedral.

Appointed on 8 February 2018.

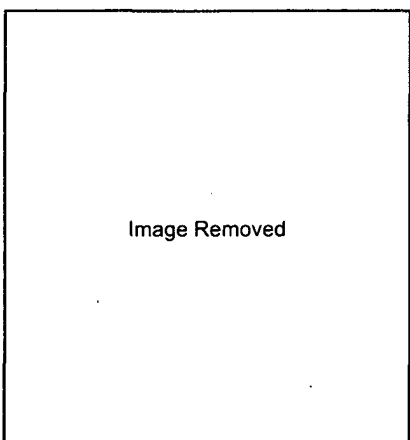


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**Yuji Sugimoto**  
Independent non-executive Director

Member of the Nomination, Conflicts and Management Engagement Committees

Yuji has over 37 years experience in financial markets. He is a former Executive Director of Sumitomo Mitsui Banking Corporation in the US. Prior to this Yuji co-managed Japanese/Pan-Asian institutional research sales as a Managing Director at Lehman Brothers / Barclays. From 2003 to 2007 he managed a New York based Japanese equity hedge fund Sugimoto Capital Management LLC, which he founded. He started his career at Salomon Brothers working for 24 years in New York, London, Hong Kong and Tokyo in a number of institutional sales management positions as a Managing Director. He has a MBA from the University of Southern California and a B.A. in Economics from Columbia University.

Appointed on 5 June 2017.

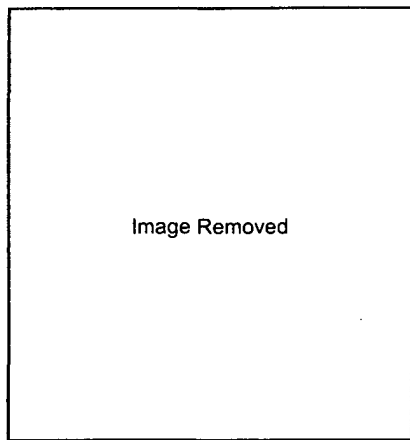


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**James Wedderburn**  
Independent non-executive Director

Chair of the Remuneration Committee and member of the Audit & Risk Committee

James has over 40 years experience in the investment industry. From 1999 to 2017 he was Director of the family office of Sir Peter Lampl, founder of the Sutton Trust social mobility charity, where he was responsible for all financial and investment matters and closely involved with the charity's finances. He worked previously at financial group Hamilton Lunn monitoring the global investments of ultra high net worth clients and, prior to that, was a fund manager at Invesco MIM and Samuel Montagu responsible for UK pension fund and charity clients. James spent his early career as a UK equity research analyst at Cazenove and Laing & Cruickshank after graduating from Oxford University.

Appointed on 15 November 2017.

# Directors' Report

The Directors present the annual report and accounts of the Company for the year ended 30 June 2024. The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the UK and in accordance with the requirements of the Companies Act 2006.

## The Company

The Company was incorporated in England and Wales on 28 April 2017 with registered number 10747219. The Company is registered as an investment company as defined by Section 833 of the Companies Act 2006 (the "Companies Act") and operates as such.

The Company was admitted to the Specialist Fund Segment of the Main Market of the London Stock Exchange and trading on the Official List of the International Stock Exchange on 19 July 2017.

The Company's Listing Sponsor on the International Stock Exchange is Ocorian Administration (Guernsey) Limited. The Company also operates an additional market quote for its ordinary shares on the London Stock Exchange, denominated in sterling.

In the opinion of the Directors, the Company has conducted its affairs during the year under review, and subsequently, so as to qualify as an investment trust for the purposes of section 1158 of the Corporation Tax Act 2010 (as amended). The Company has applied to, and obtained approval from, HMRC as an investment trust company subject to continuing to meet the eligibility requirements.

## Going concern

The Directors, having taken account of the continuing uncertainty around investee company valuations and implications on the Company's future income streams from various geopolitical conflicts and, have determined that the Company's strategy, longer-term asset allocation, short-term liquidity and robust governance structure provide a sufficient basis for the Board to adopt the going concern basis for the Company as at 30 June 2024.

In forming this position, the Directors considered the Company's investment objectives, risk management policies, capital management policies and procedures, the nature of the portfolio and expenditure projections in detail.

The Company is able to meet all of its liabilities from its assets and the ongoing charges are approximately 2% of assets. This Going Concern statement should be read in conjunction with the Company's Viability Statement which can be found on page 15.

## Directors

The Directors of the Company in office at the date of this report and their biographies are set out on pages 16 and 17. Details of Directors' interests in the shares of the Company are set out in the Directors' Remuneration Report.

Directors' retirements are subject to the Company's Articles of Association (the "Articles"). The Articles provide that the directors may appoint a person who is willing to act as a director and any director so appointed is required to retire at the next AGM after his or her appointment and is eligible for reappointment. All directors who held office at the time of the two preceding AGMs and who did not retire by rotation at either of them are also required to retire by rotation and are eligible

for reappointment. In addition, each Director considered to be non-independent will retire and being eligible offer themselves for re-election on an annual basis.

The Board has agreed to follow the recommendations of the latest Corporate Governance Codes and ask all Directors of the Company to offer themselves for re-election annually. Therefore, all the Directors will retire at the forthcoming AGM and, being eligible will offer themselves for re-election.

Having considered the Directors' performance as part of the annual Board evaluation process the Board believes that it continues to be effective and that the Directors each bring an appropriate level of knowledge, experience, business, financial and asset management skills. The Board therefore recommends that shareholders vote in favour of each Director's proposed election at the AGM.

Mr Gabelli, as a Director and President of Gabelli Group Capital Partners, the parent company of Gabelli Funds, LLC (the "Portfolio Manager"), is deemed to be interested in the Company's Portfolio Management Agreement, as is Mr Birch, who serves on the Boards of other funds in the Gabelli/GAMCO group of companies.

There were no other contracts subsisting during the year under review, or up to the date of this report, in which a Director of the Company is or was, materially interested and which is, or was, significant in relation to the Company's business.

None of the Directors has a service contract with the Company. The terms of their appointment are provided to them in a letter when they join the Board. No Director is entitled to compensation for loss of office on the takeover of the Company. The powers of the Directors are set out in the Corporate Governance Report.

## Directors' conflicts of interest

Directors have a duty to avoid situations in which they have, or could have, a direct or indirect interest that conflicts, or may potentially conflict, with the Company's interests. This is in addition to the continuing duty that Directors owe the Company to disclose to the Board any transaction or arrangement under consideration by the Company in which they are interested.

Directors are required to disclose any conflicts and potential conflicts of interest upon appointment. A schedule of these is maintained by the Company Secretary and provided at each quarterly Board meeting. Directors are responsible for keeping these disclosures up to date and in particular to notify any new potential conflicts of interest, or changes to existing situations, to the Company Secretary.

In accordance with the Companies Act 2006 and the Company's Articles, the Directors can authorise such conflicts or potential conflicts of interest. In deciding whether to authorise any conflict, the Directors must consider their general duties under the Companies Act 2006, and their overriding obligation to act in a way they consider, in good faith, will be most likely to promote the Company's success.

In addition, the Directors are able to impose limits or conditions when giving authorisation to a conflict, or potential conflict of interest, if they think this is appropriate. The authorisation of any conflict matter, and the terms of any authorisation, may be reviewed by the Board at any time.

The Board believes that the procedures established to deal with conflicts of interest operated effectively during the year under review.

#### Directors' indemnities

In accordance with the provisions of the Companies Act, the Company's Articles allow for Directors and officers of the Company to be indemnified out of the assets of the Company against all costs, losses, and liabilities incurred for negligence, default, breach of duty or trust in relation to the Company's affairs and activities. The Articles also provide that, subject to the provisions of the Companies Act 2006, the Board may purchase and maintain insurance for the benefit of Directors and officers of the Company against any liability which may incur in relation to anything done or omitted to be done or alleged to be done or omitted to be done, as a Director or officer. The Company has taken out Directors' and Officers' Liability insurance, which covers the Directors and officers of the Company.

#### Share capital

Full details of the Company's issued share capital are given in Note 11 to the Financial Statements. Details of the voting rights in the Company's shares as at the date of this report are also given in Note 6 in the Notes to the Notice of Annual General Meeting on page 79.

The ordinary shares carry the right to receive dividends and have one voting right per share. There are no restrictions on the voting rights of the ordinary shares or any shares which carry specific rights with regard to the control of the Company.

No shares were issued during the year under review, or up to close of business on 30 June 2024.

At the year end and at the date of this report there were accordingly 3,502,874 ordinary shares held in treasury.

#### Share Repurchase

The Company has authority to buy back shares in the market and may cancel or hold ordinary shares acquired by way of market purchase in treasury.

The Directors will consider repurchasing shares in the market under an extension of the programme if they believe it to be in shareholders' interests. It is the Board's intention that any shares bought back by the Company will be held in treasury and will only be sold at prices at or above the prevailing NAV per share ensuring a positive overall effect for shareholders when shares are bought back at a discount and then sold at a price at or above the NAV per share.

The current authorities to buy back and sell shares from treasury and to issue shares will expire at the conclusion of the 2024 Annual General Meeting. The Directors are proposing that these authorities be renewed at the forthcoming Annual General Meeting.

#### Loyalty Programme

The Company has implemented a loyalty programme to incentivise long-term share ownership. The loyalty programme is open to all shareholders, who are entered in the Loyalty Register, a separate register maintained by the registrar to allow a shareholder to increase its voting power after holding shares for a continuous period of at least five years. Each shareholder so registered will be entitled to subscribe for one special voting loyalty share in respect of each ordinary share held.

A shareholder may only exercise this right during the prescribed subscription period each calendar year, being between 1 and 14 December, by completing the appropriate subscription documentation and paying up the nominal value of the special voting loyalty shares. Subject to the receipt of valid subscriptions during the period and the satisfaction of certain requirements by the Company under the Companies Act and the Articles special voting loyalty shares would be issued on 31 December, or the preceding business day, should 31 December not be a business day.

Each ordinary shareholder and holder of special voting loyalty shares has the right to receive notice of, to attend, to speak at, and vote at general meetings of the Company. Each ordinary shareholder and holder of special voting loyalty shares who is present in person or by proxy at general meetings has one vote, whether on a show of hands or on a poll, in respect of each ordinary and special voting loyalty share held. At any general meeting ordinary shares and any special voting loyalty shares in the capital of the Company in issue would vote effectively one class.

The ordinary shares carry the right to receive dividends. The special voting loyalty shares are not entitled to participate in any dividend or distribution made or declared by the Company except for a fixed annual dividend equal to 0.00001% of their nominal value. On a winding up of the Company holders of special voting loyalty shares would be entitled to be repaid the capital paid up thereon *pari passu* with the repayment of the nominal amount of the ordinary shares. The special voting loyalty shares are not transferrable without the prior written consent of the Company.

There are no restrictions on the transfer of ordinary shares or on the exercise of voting rights attached to them, which are governed by the Company's Articles and relevant legislation.

There are no shares which carry specific rights with regard to the control of the Company.

During the year ended 30 June 2024, Associated Capital Group, Inc. subscribed for 6,179,100 special voting loyalty shares.

#### Activities and Business Review

A review of the business and details of research activities can be found within the Strategy section of this Annual Report.

#### Alternative Investment Fund Managers

As an investment company that is managed and marketed in the United Kingdom, the Company is an Alternative Investment Fund ("AIF") falling within the scope of, and subject to the requirements of, the Alternative Investment Fund Managers Directive ("AIFMD"). The Company has appointed Gabelli Funds LLC as its Alternative Investment Fund Manager ("AIFM") pursuant to the AIFMD.

Carne Global Fund Managers (Ireland) Limited ("Carne") was responsible for the portfolio management and risk management functions of the Company until the point Gabelli Funds LLC was appointed AIFM (on 13 February 2023). Carne continues to provide the Company AIFM support services and monitor risks. The Carne Agreement may be terminated by either party giving not less than 90 days' written notice.

Regulatory disclosures including the Key Investor Information Document are provided on the website. Disclosures on Remuneration as required under AIFMD can also be found on page 81.

# Directors' Report continued

## Portfolio management and administration

Gabelli Funds, LLC ("Gabelli") was appointed as Portfolio Manager with effect from 15 June 2017 under a Portfolio Management Agreement (the "Agreement") with the Company under which portfolio management functions were delegated to Gabelli. Gabelli receives a management fee, payable monthly within 10 business days calculated at the rate of 0.85% of NAV accrued daily and calculated on each business day.

Gabelli is entitled to earn a performance fee under the Agreement in respect of each performance period, ending 30 June each year. For the year under review Gabelli was entitled to a performance fee of 20% of any outperformance of the net asset value total return, capped at 3% of the average NAV. For the year ended 30 June 2024 no performance fee was paid (2023: nil).

## Appointment of the Manager

The arrangements for the provision of portfolio management and other services to the Company is considered by the Board on an ongoing basis and a formal review is conducted annually.

During the year, the Board considered the performance of Gabelli as Portfolio Manager by reference to the investment process, portfolio performance and how it had fulfilled its obligations under the terms of the Portfolio Management Agreement.

It is the opinion of the Board that the continuing appointment of Gabelli as Portfolio Manager, on the terms disclosed is in shareholders' interests as a whole. Among the reasons for this view is the depth, experience and investment process of Gabelli.

## Facilitating Retail Investments

The Company conducts its affairs so that its shares can be recommended by independent financial advisers to ordinary retail investors in accordance with the FCA's rules in relation to non-mainstream pooled investments and intends to continue to do so for the foreseeable future.

The shares are excluded from the FCA's restrictions which apply to non-mainstream pooled investments because they are shares in an investment trust.

## Other third party service providers Depositary and Custodian

The Company appointed State Street Trustees Limited as its Depositary under a Depositary Agreement dated 30 June 2017 between Carne, Gabelli and the Company. The main role of the Depositary under the AIFMD is to act as a central custodian with additional duties to monitor the operations of the Company, including cash flows and to ensure that the Company's assets are valued appropriately. The Depositary receives a fee payable at 0.025% per annum of the gross assets of the Company.

Under the Depositary Agreement, custody services in respect of the Company's assets have been delegated to State Street Bank and Trust Company. The Custodian receives a custody fee payable by the Company at rates depending on the number of trades and the location of securities held subject to a minimum annual fee payable of not less than \$31,250. Custody fees of \$45,124 were paid during the year under review (2023: \$51,569).

The depositary agreement is subject to 90 days' written notice of termination by any party.

## Registrar

Computershare Investor Services Plc (the "Registrar") has been appointed as the Company's registrar pursuant to the Registrar Services Agreement. The Registrar is responsible for maintaining the Company's register of shareholders and also provides services in respect of the payment of dividends, provision of shareholder documentation and compliance with the Common Reporting Standard. Fees of \$13,000 were paid to the Registrar during the year under review (2023: \$17,973). Fees in respect of corporate actions will be agreed at the time of the corporate action.

## Other Service Providers

Bridgehouse Company Secretaries Limited ("Bridgehouse") was formally appointed in May 2024 to take over as the Company Secretary from Kin Company Secretarial Limited ("Kin"). State Street Bank and Trust Company ("the Administrator") is responsible for the day-to-day administration of the Company including the maintenance of the Company's financial records and the calculation of the daily NAV.

The Bridgehouse agreement has no minimum term and is terminable by Bridgehouse or the Company on not less than one month's notice. Fees of \$61,000 were paid for Company Secretarial services during the year under review (2023: \$100,252).

## Related Party Transactions

Gabelli Funds, LLC is a related party to the Company as it is considered to have significant influence over the Company. Gabelli Funds, LLC does not earn a fee for its role as AIFM; it earned \$568,334 in portfolio management fees during the year ended 30 June 2024 (2023: \$653,934).

Further details of related party transactions are provided in the note 16 to the financial statements.

## Substantial shareholders

As at 30 June 2024, the Company had been advised by the following shareholders of their interests of 3% or more in the Company's ordinary issued share capital:

| Shareholder                               | % of Share Capital |
|-------------------------------------------|--------------------|
| Associated Capital Group Inc <sup>1</sup> | 92.59%             |

<sup>1</sup> Further information regarding Associated Capital Group, Inc and its related party status can be found on note 16 to the financial statements.

As at the date of this report the Company had not been notified of any changes and all other shareholders have less than a 3% interest in the Company's ordinary issued share capital.

## Future developments

The Chairman's Statement and Portfolio Manager's report within this Annual Report contain details of likely future developments.

## Financial instruments

The financial risk management and internal control processes and policies, and exposure to the risks associated with financial instruments can be found in Note 12 to the financial statements.

## Results

The Company generated a revenue profit for the year ended 30 June 2024 of \$823,000 (2023: \$2,996,000).

#### Disclosure of Information under Listing Rule 9.8.4

The disclosures required by Listing Rule 9.8.4, where relevant to the Company, are discussed in more detail on page 71.

#### Dividends and dividend policy

In order to allow the Shareholders to realise a predictable, but not assured, level of cash flow and some liquidity periodically on their investment, the Company has adopted a "managed dividend policy". This policy seeks to pay Shareholders a quarterly dividend in relation to the Net Asset Value of the Company at the time, which may be changed at any time by the Board. Between inception and 30 June 2024, the Company returned \$2.87 per share to shareholders, consistent with its dividend policy. Dividends are paid only when declared by the Board subject to the Board's assessment of the Company's financial position and only if the Company has sufficient income and distributable reserves to make the dividend payment, and the level of dividend may vary over time. As such, The Company declared and paid three quarterly interim dividends totalling \$0.48 during the financial year ended 30 June 2024.

#### Articles of Association

The Company's Articles can only be amended by special resolution at a general meeting of the shareholders. No amendments are proposed at the 2024 AGM.

#### Change of Control

There are no agreements the Company is party to that might be affected by a change in control of the Company. There are no agreements between the Company and its Directors for compensation for loss of office that occurs as a result of a takeover bid.

#### Exercise of Voting Rights in Investee Companies

The exercise of voting rights attached to the Company's portfolio has been delegated to the Portfolio Manager.

#### Streamlined Energy and Carbon Reporting

The Company is categorised as a lower energy user under the HMRC Environmental Reporting Guidelines March 2019 and is therefore not required to make the detailed disclosures of energy and carbon information set out within the guidelines. The Company's energy and carbon information is therefore not disclosed in this report.

#### Greenhouse Gas Emissions

The Company has no greenhouse gas emissions to report from its operations, nor does it have responsibility for any other emissions producing sources under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013.

#### Modern Slavery Act 2015 (the "MSA")

The Company is an investment company and has only newly appointed executives and does not provide goods and services in the normal course of business. Accordingly, the Directors consider that the Company is not required to make a slavery and human trafficking statement under the MSA.

#### Employees, Social, Community, Human Rights and Environmental Matters

The Company is an investment company and has no employees and accordingly it has no direct social, human rights or environmental impact from its operations. In carrying on its investment activities and relationship with suppliers the Company aims to conduct itself responsibly, ethically and fairly.

#### Board Diversity

As a close-ended investment company, the Company falls within the scope of LR 9.8.6 R (9) and LR 14.3.33 R (1) which requires companies in-scope to disclose against the following Diversity targets.

- (i) at least 40% of the individuals on its Board of Directors are women
- (ii) at least one of the following senior positions on its Board of Directors is held by a woman:
  - (A) The chair
  - (B) The Chief Executive
  - (C) The Senior Independent Director
  - (D) The Chief Financial Officer.
- (iii) at least one individual on its Board of Directors is from a minority ethnic background.

As at 30 June 2024 the Company has not met the above targets, further details of which are set out in the Corporate Governance Report on pages 23-27.

#### Political donations

No political contributions or donations were made during the financial period ended 30 June 2024.

#### Annual General Meeting

The following information to be discussed at the forthcoming Annual General Meeting is important and requires your immediate attention. If you are in any doubt about the action you should take, you should seek advice from your stockbroker, bank manager, solicitor, accountant or other financial adviser authorised under the Financial Services and Markets Act 2000 (as amended).

If you have sold or transferred all of your ordinary shares in the Company, you should pass this document, together with any other accompanying documents, including the form of proxy, at once to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for onward transmission to the purchaser or transferee.

The Directors currently anticipate that this year's Annual General Meeting will be open to shareholders, but reserve the right to change arrangements for the meeting at short notice. Therefore shareholders are strongly encouraged to vote by proxy and to appoint the Co-Chairmen as their proxy. The following resolutions will be proposed to the AGM. Resolutions 13 and 14 are proposed to the meeting as special business of the meeting as ordinary resolutions. Resolutions 15-18 are proposed as special resolutions. Ordinary resolutions require a simple majority vote (above 50%) to be passed, whereas Special resolutions require at least a 75% majority vote to be passed.

#### Resolution 14

In accordance with the Investment Policy and as opportunities present themselves the Company may take majority and minority positions which may require management of such investments. The Articles will be adjusted accordingly in the resolution so that any such positions might be taken utilising shares including Special Voting Loyalty Shares so that an issuance and/or allotment could occur to parties that were not prior shareholders nor members of the Loyalty Programme.

# Directors' Report continued

## Resolution 15 Authority to Allot shares

The Directors may only allot shares for cash if authorised to do so by shareholders in a general meeting. Resolution 15 seeks authority for the Directors to allot shares for cash up to an aggregate nominal amount of \$26,021 which represents 20% of the current issued share capital. The authority will expire at the conclusion of the 2025 Annual General Meeting unless renewed prior to that date.

## Resolution 17 Authority to buy back shares

Resolution 17 seeks to renew the authority previously granted to Directors to enable the Company to purchase up to 683,129 ordinary shares being 10% of the of the total number of voting rights of the Company at the latest practical date.

The Directors will only consider repurchasing shares in the market if they believe it to be in shareholders' interests and as a means of correcting any imbalance between supply and demand for the Company's shares. Under the Listing Rules of the Financial Conduct Authority ("FCA"), the maximum price which can be paid is the higher of (i) 5% above the average market value of the ordinary shares for the five business days immediately preceding the date on which the purchase is made and (ii) the higher of the price quoted for (a) the last independent trade of, and (b) the highest current independent bid for, any number of ordinary shares on the trading venue where the purchase is carried out. In making purchases, the Company will deal only with member firms of the London Stock Exchange. The authority will expire at the conclusion of the 2025 Annual General Meeting unless renewed prior to that date.

## Resolution 18 General Meetings on 14 clear days' notice

Resolution 18 seeks shareholder authority to call general meetings other than an AGM on 14 clear days' notice. The approval will be effective until the Company's next AGM, when it is intended that a similar resolution will be proposed. The Board will utilise this authority to provide flexibility when merited and would not use it as a matter of routine.

## Recommendation

Your Board recommends all resolutions to shareholders as being in the best interests of the Company and its shareholders as a whole. The Directors therefore unanimously recommend that shareholders vote in favour of each resolution, as they intend to do in respect of their own beneficial holdings.

## Directors' statement as to the disclosure of information to the auditors

In accordance with the requirement and definitions under section 418 of the Companies Act 2006, the Directors at the date of approval of this report confirm that:

- so far as they are aware, there is no relevant audit information of which the Company's auditors are unaware; and
- each Director has taken all the steps that they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Appointment of independent auditors PricewaterhouseCoopers LLP, the independent external auditors of the Company, were appointed in 2017. Resolutions to reappoint PricewaterhouseCoopers LLP as the Company's auditors, and to authorise the Audit Committee to determine their remuneration will be proposed at the forthcoming AGM.

The Directors' Report was approved by the Board on 29 October 2024.

  
John Birch

Co-Chairman  
29 October 2024

Marc Gabelli  
Co-Chairman



# Corporate Governance Report

This Report sets out the role and activities of the Board and explains how the Company is governed.

## Governance

### Applicable Corporate Governance Code and compliance in year

As a company admitted to trading on the Specialist Fund Segment, the Board has considered the principles and provisions of the Association of Investment Companies' Code of Corporate Governance (the 'AIC Code'). The AIC Code addresses the Principles and Provisions set out in the 2018 version of the Financial Reporting Council's UK Corporate Governance Code (the 'UK Code'), as well as setting out additional provisions on issues that are of specific relevance to the Company as an investment company listed on the London Stock Exchange.

The Board considers that reporting against the principles and provisions of the AIC Code, which has been endorsed by the Financial Reporting Council, provides more relevant information to shareholders. The following analysis explains how the company has complied with the principles and provisions of the AIC Code during the financial year.

The Board of Directors also recognise the critical importance of effective corporate governance to investors, potential investors and the Company's stakeholders, and the directors therefore give priority to high standards of corporate governance.

The Board confirms that it complies with the recommendations of the AIC Code and the relevant provisions of the UK Code except as follows:

| Summary of AIC Code Provision                                     | Compliance | Performance in year                                                                                                                                                                                                                                                                                                                                     |
|-------------------------------------------------------------------|------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Director and Board independence and independence from the Manager | x          | A formal policy and procedure ensure Board independence and the independence of the investment Manager.                                                                                                                                                                                                                                                 |
| The Chair should be independent on appointment                    | x          | Although the Co-Chairman is not deemed independent for the purposes of the AIC Code, given his qualifications and investment experience, and the significant commitment being made by the Gabelli Group to the Company, the Board believes that his appointment as Co-Chairman is in the best interests of the Company and the shareholders as a whole. |
| Appoint a Senior Independent Director ('SID')                     | x          | The Board does not deem it necessary to appoint a SID given the nature of its activities as a listed investment trust. The key responsibilities of the SID under the UK Code are completed by the Non-executive Directors. The performance of the Co-Chairmen is appraised annually by the Non-executive Directors.                                     |
| Monitor risk management and internal control systems              | x          | The Company has delegated its operational management to third party service providers, the Board therefore receives reports from those parties to satisfy itself that an appropriate controls environment is maintained. These reports extend to any relevant instances of whistleblowing at each of the service providers.                             |
| Identification of remuneration consultant in the Annual Report    | x          | The Remuneration Committee does not deem it necessary to appoint a remuneration consultant.                                                                                                                                                                                                                                                             |

The AIC Code is available on the AIC website ([www.theaic.co.uk](http://www.theaic.co.uk)). It includes an explanation of how the AIC Code adapts the Principles and Provisions set out in the UK Code to make them relevant for investment companies. The UK Code is available from the Financial Reporting Council's website at [frc.org.uk](http://frc.org.uk).

## The Board

### Overview of the Board

The Board consists of six non-executive Directors. All Directors have a wide range of other interests and are not dependent on the Company itself. Their biographical details, which are set out in detail on pages 16 and 17, demonstrate a breadth of investment, commercial and professional experience with an international perspective.

The Board has a formal schedule of matters specifically reserved for its decision, which are categorised under various headings, including strategy and management, internal controls and risk management, strategy and policy considerations, transactions, and finance.

The provision of the UK Code which relates to the combination of the roles of the chairman and chief executive does not apply as the Company has no executive directors.

The Board meets quarterly to review investment performance, financial reports, discuss strategy and has the overriding responsibility for assessing and reviewing the company's risk appetite. Board or Committee meetings are also held on an ad hoc basis and as required to consider any other material issues as they arise.

Representatives of the Portfolio Manager and Company Secretary attend each meeting. The Board, the AIFM, the Portfolio Manager, the Company Secretary and other key services providers operate in a cooperative and constructive relationship.

# Corporate Governance Report continued

## Co-Chairmen

The Board is satisfied that other than their relationship with the Portfolio Manager, the Co-Chairmen, do not have any appointments or interests which may create a conflict of interest with the Company's activities or interests.

The Nomination Committee reviewed the performance of the Co-Chairmen during the year and is comfortable that they continue to have sufficient time to commit to their duties, and that they perform effectively in the role. The Board therefore recommends shareholders vote to re-elect the Co-Chairmen at the 2024 Annual General Meeting.

## Board Diversity

When recruiting a new Director, the Board's policy is to appoint individuals on merit. The Board believes diversity is important in bringing an appropriate range of skills, knowledge and experience to the Board and gives that consideration when recruiting new Directors.

As at 30 June 2024 there were 6 male Directors, of multiple nationalities and ethnicities, and no female Directors on the Board. Whilst all future board appointments will be made on merit, the Directors have committed to keep the Board's gender diversity under review with a view to improving the ratio over time.

In accordance with LR 14.3.33 as at 30 June 2024 (the reference date) the Board has not met the FCA's specified targets on Board Diversity relating to gender or ethnicity.

In accordance with LR 14.3.33a whilst the Company is supportive of the new measures which aim to improve the representation of women and ethnic minority groups at board level, the Board also acknowledges the size of the current Board and believes it remains appropriate to serve the size and stature of the company at this time. The Nominations Committee, however, is supportive of ensuring a more diverse pool of Board Level candidates are assessed for any Board Level appointments.

The Board Diversity Policy can be found on the company's website <https://www.gabelli.co.uk/investment-products/gabelli-merger-plus/gmp-documents/>.

The tables below set out the numerical data on the ethnic background and the gender identity of the Board or Directors. The Company do not have any Executive Directors on the Board and therefore have not reported against that target which is non-applicable.

Table A: Gender Diversity Disclosures

|       | Number of Board Members | Percentage of the Board | Number of senior positions on the board and its Committees (CEO, CFO, SID and Chair(s)) |
|-------|-------------------------|-------------------------|-----------------------------------------------------------------------------------------|
| Men   | 6                       | 100%                    | 4                                                                                       |
| Women | 0                       | 0%                      | 0                                                                                       |

Table B : Ethnic Diversity Disclosures

|                                                             | Number of Board Members | Percentage of the Board | Number of senior positions on the board and its Committees (CEO, CFO, SID and Chair(s)) |
|-------------------------------------------------------------|-------------------------|-------------------------|-----------------------------------------------------------------------------------------|
| White British/White American or Other White Minority Groups | 5                       | 83.33%                  | 4                                                                                       |
| Mixed/Multiple Ethnic Groups                                | 0                       | 0.00%                   | 0                                                                                       |
| Asian/Asian/British Asian/American                          | 1                       | 16.67%                  | 0                                                                                       |

## Role of the Board

The Board is collectively responsible for the long-term success of the Company and is accountable to shareholders and the Company's wider stakeholders for the performance and governance of the Company. It is also ultimately responsible for setting and executing the Company's strategic aims, its purpose, culture and values. The authority of the Board in these areas is subject to the Articles and to such approval of the shareholders in a general meeting as may be required from time to time.

The Board also ensures that the necessary resources are in place to enable the Company's objectives to be met in accordance with the Company's investment objective, and that shareholder value is maximised within a framework of proper controls.

The Directors exercise the powers conferred by the Company's Articles of Association and UK Company Law to manage the Company's interest for the benefit of shareholders and stakeholders.

As an investment company the Company's day to day responsibilities are delegated to third party service providers.

## Stakeholder Interests (s.172 statement)

The Companies (Miscellaneous Reporting) Regulations 2018 require directors to explain more fully how they have discharged their duties under Section 172(1) of the Companies Act 2006 in promoting the success of their companies for the benefit of members as a whole. This enhanced disclosure covers how the Board has engaged with and understands the views of stakeholders and how stakeholders' needs have been taken into account, the outcome of this engagement and the impact that it has had on the Board's decisions.

As the Company is an externally managed investment company and does not have any customers, the Board considers the main stakeholders in the Company to be the shareholders and other key service providers. The reasons for this determination, and the Board's overarching approach to engagement with these stakeholders, are set out in the table below.

| Stakeholder          | Activity or mitigation in the year                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|----------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Shareholders         | <ul style="list-style-type: none"> <li>• The Company operates a Loyalty Programme to reward shareholders who retain their shares for at least five years. Further information regarding the Programme can be found in the Directors' Report;</li> <li>• As a listed investment trust, the Board operates policies designed to safeguard the value of shareholders' investment, in particular the Board may initiate a buyback programme whenever the Company's share price represents a discount of 7.5% or more;</li> <li>• Shareholders' rights are also protected under the Company's Articles of Association which require any proposal that may materially change those rights to be subject to prior approval by a majority of shareholders in general meeting; and</li> <li>• Shareholders are given opportunities to attend meetings with the Board and to also attend, ask questions and vote at the Annual General Meeting of the Company.</li> </ul> |
| Service Providers    | The Board regularly evaluates the performance of its key panel of third-party professional service providers. The appraisals involve an opportunity for those third parties to provide 360° feedback. During the period under review, the Board traveled to New York to visit the GAMCO head office and meet with members of staff at all levels by way of employee engagement. As part of the off-site visit, the Board also met with the company's major shareholders.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Social & Environment | Whilst the Company's key investment objective targets outperformance through exposure to corporate transactions in the United States, the Investment Manager, Gabelli Funds, LLC operates a suite of investment policies designed to take account of Environmental, Social and Governance ('ESG') themes across its investment strategies. These policies ensure that exposure to ESG risks is minimised for the Company's stakeholders.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Other Stakeholders   | <ul style="list-style-type: none"> <li>• The Board seeks to maintain the highest levels of corporate governance through compliance with the principles and provisions of both the AIC Code and, to the maximum extent practicable, the UK Code; and</li> <li>• The Board is committed to responding promptly and transparently to any reputational or regulatory matter that might arise affecting the Company, its future prospects or its investment activities.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |

#### Purpose, Values and Culture

The Board takes its responsibilities under the AIC Code seriously and has accordingly sought to identify and promote each of: a corporate purpose, distinct values and a culture for the Company.

However, as a listed investment trust, which has appointed third party service providers to operate its day to day business, the chosen purpose, values and culture are necessarily focused on the approach and activities of the Board of Directors.

Nevertheless, the Board prioritises the Company's primary investment objective, together with its proprietary Private Market Value with a Catalyst methodology, in defining its PMV with a Catalyst purpose. The Company's values and culture primarily reflect those of its experienced, independent and diverse individual board members, combined with the approach and professionalism of its appointed third party service providers.

The Board regularly monitors both the performance of the Company against its investment objective and proprietary methodology; and its individual directors and service providers to ensure continuing strong performance and integration with the Board's values and culture.

#### Employees, Social, Human Rights and Environmental Matters

The Company has newly appointed executives but it has no direct social or community impact and limited environmental impact from its operations. However, the Company believes that it is in shareholders' interests to consider human rights issues, together with environmental, social and governance factors when selecting and retaining investments.

#### Directors' Appointment, Retirement and Succession

The rules concerning the appointment, retirement and rotation of Directors are set out in the Directors' Report. The Board believes that it has a reasonable balance of skills and experience. It recognises the value of the progressive refreshing of, and succession planning for, company boards, including for the Co-Chairmen. The Board's tenure and succession policy seeks to ensure that it maintains the balance of skills and experience required.

Directors must be able to demonstrate their commitment, in terms of time, to the Company. The Board is of the view that length of service does not itself impair a Director's ability to act independently or exercise good judgement, rather, a long serving Director can continue to offer valuable perspectives and experience.

When Directors are appointed they go through an induction programme organised by the Portfolio Manager to familiarise them with the specifics of the portfolio. Directors are also

# Corporate Governance Report continued

provided with key information on the Company's policies, regulatory and statutory requirements and internal controls on a regular basis.

## Committees of the Board

The Board has established an Audit & Risk Committee, Nomination Committee, Remuneration Committee, Management Engagement Committee and a Conflicts Committee. Each Committee has defined terms of reference and duties.

## Audit & Risk Committee

The Audit & Risk Committee is chaired by Marco Bianconi. Further details are provided in the report of the Audit & Risk Committee on pages 28 to 29.

## Nomination Committee

The Nomination Committee is chaired by Marc Gabelli and consists of Marc Gabelli, John Birch and Yuji Sugimoto. The Nomination Committee is responsible for reviewing Board succession, the policy on directors' tenure, the performance of the Board and its Committees and the appointment of new Directors. When voting on candidates for the appointment of new directors, only independent directors will vote.

## Remuneration Committee

The Remuneration Committee is chaired by James Wedderburn and consists of James Wedderburn, John Birch and Marco Bianconi. The Remuneration Committee is responsible for setting the Directors' remuneration in conjunction with the Co-Chairmen and will take into consideration the Company's peer group and the potential to appoint external remuneration consultants when making decisions.

## Management Engagement Committee

The Management Engagement Committee is chaired by John Birch and consists of John Birch and Yuji Sugimoto. The Management Engagement Committee is responsible for ensuring that the provisions of the Portfolio Management Agreement remain competitive and in the best interest of shareholders and to review the performance of the Manager, Portfolio Manager and other third party service providers to the Company. Details of the management arrangements are set out in the Directors' Report.

## Conflicts Committee

The Conflicts Committee is chaired by John Birch and consists of Marco Bianconi and Yuji Sugimoto. The Conflicts Committee is responsible for considering the potential conflicts of interest that may arise in relation to the operation of the Company with regard to the Directors, the AIF Manager, the Portfolio Manager and other service providers of the Company.

## Attendance at scheduled meetings

The table below sets out the number of Board and Committee meetings held during the year under review to 30 June 2024 and the number of meetings attended by each Director.

The Audit & Risk Committee will meet at least twice a year and all other Committees at least once a year and additionally as required.

| Director         | Board | Audit & Risk Co. | Rem Co. | M.E Co. | Nom Conflicts Co. | Conflicts Co. |
|------------------|-------|------------------|---------|---------|-------------------|---------------|
| Marc Gabelli     | 4/4   | n/a              | n/a     | n/a     | 1/1               | n/a           |
| Marco Bianconi   | 4/4   | 4/4              | 1/1     | n/a     | n/a               | 1/1           |
| John Birch       | 4/4   | n/a              | 1/1     | 1/1     | 1/1               | 1/1           |
| John Newlands    | 4/4   | 4/4              | n/a     | n/a     | n/a               | n/a           |
| James Wedderburn | 4/4   | 4/4              | 1/1     | n/a     | n/a               | n/a           |
| Yuji Sugimoto    | 4/4   | n/a              | n/a     | 1/1     | 1/1               | 1/1           |

## Board Evaluation

The Board undertook an annual self-evaluation of its performance, that of its committees and individual Directors, including the Co-Chairmen. The reviews were led by the Co-Chairmen, in the case of the Board, and the Chairman of each committee otherwise.

Each Chairman determined the scope and format for the review, which generally confirmed the directors' view that the Board and its governance continued to function well with few issues.

There were no significant actions arising from the evaluation process and it was agreed that the composition of the Board, at that time, reflected a suitable mix of skills and experience, and that the Board as a whole, the individual Directors and its committees were performing in accordance with the provisions of the AIC Code other than where explained in this Report. The Board determined to keep the composition of the Board under review to align with the FCA's specific targets on Board Diversity.

## Risk Management Directors' liability insurance

During the year the Company has renewed and maintained appropriate Directors & Officers' insurance on behalf of the Board.

## Internal controls

The Board has overall responsibility for the Company's systems of internal controls and for reviewing their effectiveness. In common with the majority of investment trusts, the Board has determined that the most efficient and effective management of the Company is achieved by the Directors determining the investment strategy, and the Portfolio Manager being responsible for the day-to-day investment management decisions on behalf of the Company.

Accounting, company secretarial and custodial services have also been delegated to third party service providers who specialise in these areas and can provide, because of their size and specialisation, economies of scale, segregation of duties, and all that is required to provide proper systems of internal control within a regulated environment.

As the Company has only newly appointed executives and its operational functions are undertaken by third parties, the Audit & Risk Committee does not consider it necessary for the Company to establish its own internal audit function. Instead, the Audit & Risk Committee examines internal control reports received from its principal service providers to satisfy itself as to the controls in place.

The internal controls aim to ensure that assets of the Company are safeguarded, proper accounting records are maintained, and the financial information used within the business and for publication is reliable. The need for an internal audit function is reviewed annually by the Committee.

The system therefore manages, rather than eliminates risk of failure to achieve the Company's business objectives and provides reasonable, but not absolute assurance against material misstatement or loss.

#### Shareholder relations and Annual General Meeting

The primary medium by which the Company communicates with its shareholders is through the Annual and Half Yearly Reports which aim to provide shareholders with a clear understanding of the Company's activities and results in the relevant financial period. This information is supplemented by the daily calculation and publication of the NAV per share to a regulatory information service.

The Annual and other General Meetings provide an opportunity for shareholders to engage with the Board of Directors, and the individual directors and the Investment Manager regularly communicate with significant shareholders to discuss company updates and other key events.

All shareholders are ordinarily encouraged to attend and vote at the Company's Annual General Meeting. However, it is explained in the Notice of Annual General Meeting that whilst the Directors anticipate the meeting in 2024 being open to shareholders, the Directors reserve the right to change arrangements at short notice. Shareholders are strongly encouraged to vote by proxy and to appoint the Co-Chairmen as their proxy. The Board and representatives of the Portfolio Manager are similarly usually available at the Annual General Meeting to discuss issues affecting the Company. They will be happy to answer any questions provided in writing prior to the meeting this year.

The Notice of Annual General Meeting is set out on pages 77 and 78 and details the business of the meeting. Any item not of an entirely routine nature is explained in the Directors' Report. The Notice of Annual General Meeting and any related papers are sent to shareholders at least 21 clear days before the meeting.

#### Substantial Shareholdings

A summary of the significant shareholders that have been notified to the Board as at the date of this report can be found in the Directors' Report.

#### Anti-Bribery Policy

The Company has zero tolerance towards bribery and is committed to carrying out business fairly, honestly and openly.

The Board takes its responsibility to prevent bribery seriously and its service providers are contacted to regularly confirm their anti-bribery policies and controls.

#### Criminal Finances Act 2017

The Board has a zero tolerance approach to the facilitation of tax evasion.

By order of the Board

John Birch

John Birch

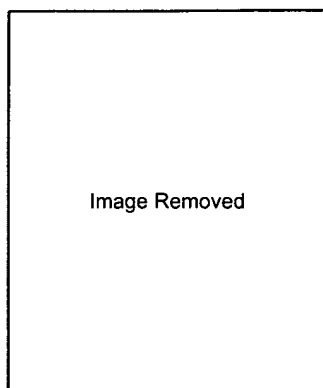
Co-Chairman

29 October 2024

Marc Gabelli  
Co-Chairman



# Report of the Audit & Risk Committee



Chair of the  
Audit & Risk Committee  
Marco Bianconi

Members  
Marco Bianconi  
John Newlands  
James Wedderburn

As Chair of the Audit & Risk Committee, I am pleased to present the Report of the Audit & Risk Committee for the year ended 30 June 2024.

## Role of the Committee

The Company has established a separately chaired Audit & Risk Committee (the "Committee") to ensure that the interests of shareholders are properly protected in relation to financial reporting, internal controls and risk mitigation.

The Committee meets on a quarterly basis in preparation for the publication of both the annual and half yearly results, and otherwise as necessary. During the period under review the Committee met four times and three times since the financial year end and the publication of this report.

## Composition of the Committee

The Committee consisted of three Directors during the year under review whose biographies are on pages 16 and 17 and the Committee composition was therefore unchanged.

The Committee as a whole has competence relevant to investment companies and is able to discharge its responsibilities effectively, with each Director having appropriate financial experience and as such contributing strongly to the Committee's operation.

The Company's Auditors are invited to attend meetings of the Committee on a regular basis. Representatives of the Portfolio Manager and other external advisors, including the Administrator, may also be invited to attend if deemed necessary by the Audit & Risk Committee.

## Committee Responsibilities

The key responsibilities of the Audit & Risk Committee are to provide oversight of the financial reporting process to ensure that the information provided to the shareholders is fair, balanced and understandable and allows accurate assessment of the Company's position. The Committee also reviews the robustness of the systems of internal controls, monitors the quality, effectiveness and objectivity of the external audit process and monitors the key risks facing the Company.

The Committee's terms of reference are available on the Company's website at [https://www.gabelli.co.uk/docs/pdfs/gmp\\_actr.pdf](https://www.gabelli.co.uk/docs/pdfs/gmp_actr.pdf).

During the year the principal activities of the Committee included:

- A comprehensive review of the full year, half year reports and annual report and accounts, considered the disclosures made in relation to internal controls, risk management, viability, going concern, related parties, and whether the reports are fair, balanced and understandable and whether it provides

the information necessary for shareholders to assess the Company's position and performance, business model and strategy;

- A review of the effectiveness of the external audit process, including the scope, execution, level of materiality, together with the independence, objectivity and efficiency of the external auditors and the quality of the audit engagement team;
- A review and approval of the external audit plan together with the annual audit fee;
- A review and assessment of the main risks faced by the Company, also considering that it is deemed a "close company" from a UK tax perspective, being subject to UK corporation tax. The Company has elected continued adherence to the AIC's SORP and continued to prepare its financial statements on a basis compliant with the recommendations of the SORP;
- Monitored developments in the Group's risk management processes;
- A review of the appropriateness of the Company's accounting policies;
- Receiving from the Company's main third-party service providers reassurance on the adequacy and effectiveness of their internal controls processes and risk management systems. This initiative included a review of the key technology risks facing the company and its main service providers, including, but not limited to policies, practices and safeguards, cybersecurity and fraud, identification, assessment, monitoring, mitigation and the overall management of those risk;
- A review of the adequacy and security of the company's arrangements with its contractors and external parties to raise concerns, in confidence, about possible wrongdoing in financial reporting or other matters. The Committee considered that the arrangements remained appropriate and proportionate.

## Significant Issues and Audit Risk

During the year, the Audit & Risk Committee also considered a number of significant issues and areas of key audit risk in respect of the Annual Report and Accounts. The Committee reviewed the external audit plan at an early stage and concluded that the appropriate areas of audit risk relevant to the Company had been put in place to obtain a reasonable assurance that the financial statements as a whole would be free of material misstatement.

The Committee reviewed those items in the Group's financial statements that have the potential to significantly impact reporting and identified the management override of controls and the risk of fraud in income definition.

# Report of the Audit & Risk Committee continued

The following table sets out the key areas of risk identified and explains how these were addressed.

| Significant issue                      | How the issue was addressed                                                                                                                                                                                                                                                                     |
|----------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Valuation and existence of investments | The AIFM performs the valuation of the Company's assets in accordance with its responsibilities under the AIFMD rules. Ownership of listed investments is verified by reconciliation to the Custodian's records. Ownership of CFDs is verified by reconciliation to the counterparty's records. |
| Recognition of income                  | Income received is accounted for in line with the Company's accounting policies, as set out in the notes to the financial statements.                                                                                                                                                           |
| Maintaining internal controls          | The Committee receives regular reports on internal controls from the Administrator and the Investment Manager and has access to the relevant personnel of both State Street and Gabelli Funds who have a responsibility for risk management and internal audit.                                 |
| Performance fee                        | The performance fee calculation is prepared by the Administrator and reviewed by the Manager and the Committee before recommendation to the Board, all with reference to the portfolio management agreement.                                                                                    |
| Resource Risk                          | The Company has no employees and its day to day activities are delegated to third party suppliers. The Board monitors the performance of third-party suppliers on an ongoing basis.                                                                                                             |

## External audit

The Committee conducted a review of PricewaterhouseCoopers LLP's independence and audit process effectiveness as part of its review of the financial reporting for the year ended 30 June 2024. In considering the effectiveness, the Committee reviewed the audit plan, the level of materiality, key financial reporting risks, and the auditors' findings.

The Committee also considered the execution of the audit against the plan, as well as the auditors' reporting to the Committee in respect of the financial statements for the year. Based on this, the Committee was satisfied with the quality of the external audit process, with appropriate focus and challenge on the key audit risks.

The Committee advises the Board on the appointment of the external auditors and on their remuneration. It keeps under review the cost effectiveness and the independence and objectivity of the external auditors, mindful of controls in place to ensure the latter. To this end, the Committee has implemented a policy on the engagement of the external auditors to supply non-audit services.

The Committee was satisfied that the objectivity and independence of the auditors was not impaired as no non-audit services were undertaken during the year. Accordingly, the Committee recommended to the Board that shareholder approval be sought at the forthcoming AGM for the appointment of PricewaterhouseCoopers LLP as the Company's auditors for the ensuing financial year, and for the Committee to determine the auditors' remuneration.

## Audit Tendering

PricewaterhouseCoopers LLP was appointed as auditors with effect from the Company's launch in July 2017. The Company is required to put the external audit out to tender at least every ten years, and at least every twenty years to change the auditors. The Company will be required to put the audit out to tender, at the latest following the 2027 year end.

The Audit & Risk Committee will consider annually the need to tender as a consequence of audit quality or independence.

There are no contractual obligations that restrict the Company's choice of auditors.

During the year ended 30 June 2024 £0 was paid to the auditors for non-audit services (2023: £0). The auditors are required to rotate the Company's Lead Engagement Partner every five years. Kevin Rollo was appointed as the Audit Engagement Partner in 2021 and has successfully overseen the engagement for the financial year under review.

## Internal Audit function

As the Company has no employees and its operational functions are undertaken by third parties, the Committee does not consider it necessary for the Company to establish its own internal audit function. Instead, the Committee examines internal control reports received from its principal service providers to satisfy itself as to the controls in place.

The internal controls aim to ensure that assets of the Company are safeguarded, proper accounting records are maintained, and the financial information used within the business and for publication is reliable. The need for an internal audit function is reviewed annually by the Committee.

## Whistleblowing, anti-bribery and corruption

The Company has no employees; therefore no policies relating to whistleblowing, anti-bribery, or corruption are considered necessary. Notwithstanding this, the Company seeks at all times to conduct its business with the highest standards of integrity and honesty. Gabelli Funds, LLC is committed to complying with all applicable legal and regulatory requirements relating to accounting and auditing controls and procedures. Staff members of Gabelli Funds, LLC are encouraged to report complaints and concerns regarding accounting or auditing matters through available channels described in the Portfolio Manager's Whistleblower Policy.

Marco M. Bianconi

Marco Bianconi

Chair of the Audit & Risk Committee

29 October 2024

# Directors' Remuneration Report

The Board presents the Directors' Remuneration Report which has been prepared in accordance with the requirements of Sections 420-422 of the Companies Act 2006 and Schedule 8 to the Large and Medium-sized Companies and Groups (Accounts and Reports) (Amendment) Regulations 2013. The law requires the Company's auditors to audit certain of the disclosures provided. Where disclosures have been audited this is indicated.

## Statement from the Co-Chairmen

This Report describes how the Board has applied the principles relating to Directors' remuneration. The Company's Remuneration Policy was originally approved by shareholders at the AGM in 2018 and shareholders approved a version of the Remuneration Policy with minor further updates at the AGMs in 2019 and in 2020, in accordance with section 439A of the Companies Act 2006. Accordingly, the Company's Remuneration policy will be put to Shareholders for approval at this year's Annual General

Meeting ('AGM') to be held on 5 December 2024. Further information on this resolution is contained within the notice of AGM.

## Director's Remuneration Policy

In 2020, the Remuneration Policy was updated to increase the overall aggregate limit on fees payable to Directors from \$150,000 to \$180,000. The Company does not propose an increase to the aggregate limit to Non-Executive Director's fees this year and as such will only be seeking shareholder approval for the current limit of \$180,000, which the Company deemed to be at an appropriate level at this time.

## Remuneration Committee

The Company has established a Remuneration Committee which meets at least once a year. Further details of the membership are provided in the Corporate Governance Report.

## Policy Table

|                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Fixed fee element            | Remuneration consists of a fixed fee each year and the Directors of the Company are entitled to such rates of annual fees as the Board at its discretion determines.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Discretionary element        | In accordance with the Company's Articles of Association, if a Director is requested to perform extra or special services, they will be entitled to receive such additional remuneration as the Board considers appropriate.                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Expenses                     | In accordance with the Company's Articles of Association the Directors are also entitled to be reimbursed for out-of-pocket expenses and any other reasonable expenses incurred in the proper performance of their duties.                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Purpose and link to strategy | Directors' fees are set to: <ul style="list-style-type: none"> <li>be sufficient to attract and retain individuals of a high calibre with suitable knowledge and experience to promote the long-term success of the Company;</li> <li>reflect the time spent by the Directors working on the Company's behalf and representing the Company;</li> <li>reflect the responsibilities borne by the Directors;</li> <li>recognise the greater time commitment and responsibility required for the positions of Co-Chairmen of the Board and the Chairman of the Audit &amp; Risk Committee through appropriate fee supplements for each role.</li> </ul> |
| Operation                    | Fees payable to the Directors will be reviewed annually. A number of factors will be considered to ensure that the fees are set at an appropriate level. These will include the average rate of inflation during the period since the last fee increase, the level of Directors' remuneration for other Investment Companies of a similar size and complexity of the Directors' responsibilities.                                                                                                                                                                                                                                                   |
| Maximum                      | The total remuneration paid to the non-executive Directors is subject to an annual aggregate limit of \$180,000 in accordance with the Company's Articles of Association, following approval by shareholders at the AGM in 2020. Any further changes to this limit will require Shareholder approval by ordinary resolution.                                                                                                                                                                                                                                                                                                                        |

There are no performance related elements to the Directors' fees and the Company has no Executive Directors.

To ensure fees are set at an appropriate level, a comparison of the Directors' remuneration with investment trusts of a similar size and/or mandate, is undertaken as well as taking into account any data published by the Association of Investment

Companies. This comparison, together with consideration of any alteration in non-executive Directors' responsibilities, is used to review whether any change in remuneration is necessary. The review of fees is performed on an annual basis.

| Remuneration                                                  | Fees per annum US\$ |
|---------------------------------------------------------------|---------------------|
| Director of the Board                                         | 30,000              |
| Additional fee for the Co-Chairmen of the Board               | 1,000 <sup>1</sup>  |
| Additional fee for the Chairman of the Audit & Risk Committee | 5,000               |
| Additional fee for the members of the Audit & Risk Committee  | 1,000               |

<sup>1</sup> On 6 October 2023 John Birch was appointed as Co-Chairman of the Board.

Following a review in September 2023, the Committee agreed that the Directors' fee would not increase for the year ending 30 June 2024.

Any remuneration arrangements for new directors will be determined by the Committee in accordance with the Remuneration Policy, and would also be expected to mirror the above fee structure.

The additional fees shown in the table above paid to the Co-Chairmen of the Board (albeit Mr Gabelli waived his fee) and the Chairman and members of the Audit & Risk Committee during the year ended 30 June 2024 will also remain unchanged for the year ending 30 June 2025.

#### Consideration of Shareholders' Views

Shareholders' approval for the remuneration report will be sought at the 2024 AGM. Shareholders will have the opportunity to express their views and raise any queries on the policy either at or in advance of this meeting.

At the previous AGM held on 30 November 2023, the Director's Remuneration Report received 100% votes in favour of the resolution.

Details of voting on the Remuneration Report at the 2024 AGM will be released via RNS announcement following the meeting and will be provided in the annual report for the year ending 30 June 2025.

#### Director's Remuneration Implementation Report (audited) Single Total Figure of Remuneration

The single total remuneration figure for each Director who served during the year to 30 June 2024 is set out below with prior year comparison. The table below sets out the total remuneration costs paid by the Company. Mr Gabelli waived the entitlement to his fees as Co-Chairman. Mr Gabelli devotes a portion of his time employed by Gabelli to serve as Chairman of the Company. An apportionment of his remuneration on a time served basis from employment by an affiliate of the Portfolio Manager would materially equate to the fees received by the other Directors of the Company for similar qualifying services.

Directors' notice periods and payment for loss of office Directors' appointments may be terminated without notice. In this event, the Director will only be entitled to fees accrued at the date of termination, together with reimbursement of any expenses properly incurred to that date.

None of the Directors are entitled to post-employment benefits or termination benefits.

No discretionary payments were made during the year to 30 June 2024.

The fees paid to Directors on an annual basis during the year to 30 June 2024 are as follows:

|                         | Year to 30 June 2024 |                |                          | Year to 30 June 2023 |                |                          | Year to 30 June 2022 |                |                          | Year to 30 June 2021 |                     |                |                          |
|-------------------------|----------------------|----------------|--------------------------|----------------------|----------------|--------------------------|----------------------|----------------|--------------------------|----------------------|---------------------|----------------|--------------------------|
|                         | Fees                 | Total          | Change over prior year % | Fees                 | Total          | Change over prior year % | Fees                 | Total          | Change over prior year % | Fees                 | Shares <sup>2</sup> | Total          | Change over prior year % |
| Marc Gabelli            | -                    | -              | -                        | -                    | -              | -                        | -                    | -              | -                        | -                    | -                   | -              | -                        |
| Marco Bianconi          | 35,000               | 35,000         | -                        | 35,000               | 35,000         | -                        | 35,000               | 35,000         | -3.2%                    | 25,000               | 11,167              | 36,167         | 24.0%                    |
| John Birch <sup>1</sup> | 31,000               | 31,000         | 3.3%                     | 30,000               | 30,000         | -                        | 30,000               | 30,000         | -3.7%                    | 20,000               | 11,167              | 31,167         | 29.0%                    |
| John Newlands           | 31,000               | 31,000         | -                        | 31,000               | 31,000         | -                        | 31,000               | 31,000         | -3.6%                    | 21,000               | 11,167              | 32,167         | 21.1%                    |
| Yuji Sugimoto           | 30,000               | 30,000         | -                        | 30,000               | 30,000         | -                        | 30,000               | 30,000         | -3.7%                    | 20,000               | 11,167              | 31,167         | 28.9%                    |
| James Wedderburn        | 31,000               | 31,000         | -                        | 31,000               | 31,000         | -                        | 31,000               | 31,000         | -3.6%                    | 21,000               | 11,167              | 32,167         | 27.8%                    |
| <b>Total</b>            | <b>158,000</b>       | <b>158,000</b> | <b>-</b>                 | <b>157,000</b>       | <b>157,000</b> | <b>-</b>                 | <b>157,000</b>       | <b>157,000</b> | <b>-</b>                 | <b>107,000</b>       | <b>55,835</b>       | <b>162,835</b> | <b>-</b>                 |

<sup>1</sup> On 6 October 2023 John Birch was appointed as Co-Chairman of the Board.

<sup>2</sup> Represents the fee supplement originally to be paid in shares, on a pro rata basis for the period 1 January to 30 June 2020 following shareholder approval in 2019. Owing to complexities surrounding the share issuance scheme approved at the 2019 Annual General Meeting, and following legal advice, the incremental compensation was paid in cash, in the amount of \$10,000 per annum, per Director. The amount presented for the year ended 30 June 2021 includes cash payments equivalent to and in lieu of dividends that would have been paid between 1 January 2020 and 30 June 2021, in the amount of \$1,167 per Director.

# Directors' Remuneration Report continued

## Directors' Interests

The interests of the Directors (including their connected persons), who are not required to purchase shares, in the Company's share capital are as follows:

| Directors        | Ordinary shares of \$0.01 |                       |
|------------------|---------------------------|-----------------------|
|                  | As at<br>30 June 2024     | As at<br>30 June 2023 |
| Marc Gabelli     | 20,100                    | 20,100                |
| Marco Bianconi   | 1,200                     | 1,200                 |
| John Birch       | 1,000                     | 1,000                 |
| John Newlands    | -                         | -                     |
| Yuji Sugimoto    | -                         | -                     |
| James Wedderburn | 1,500                     | 1,500                 |
| <b>Total</b>     | <b>23,800</b>             | <b>23,800</b>         |

None of the Directors has been granted, or exercised, any options or rights to subscribe for the Ordinary Shares of the Company.

## Company Performance

A graph showing the Company's NAV performance measured by total shareholder return compared with the Credit Suisse Merger Arb Liquid Index and the IQ Merger Arbitrage ETF (MNA), since launch, can be found on page 12.

## Relative Importance of Spend on Pay

The table below shows the Directors' remuneration (2023: \$157,000 and 2022: \$157,000) in comparison with Portfolio management fees paid, dividends paid to shareholders and the Company's annual revenues.

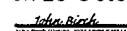
| Directors' remuneration as a % of | 2024  |      |
|-----------------------------------|-------|------|
|                                   | \$000 | %    |
| Directors' remuneration           | 158   |      |
| Dividends to Shareholders         | 3,227 | 4.9  |
| Portfolio management fees         | 568   | 27.8 |
| Revenues                          | 2,374 | 6.6  |

## Statement by the Chairman of the Board

The Directors confirm that the Directors' Remuneration Report set out above provides a fair and reasonable summary for the financial year ended 30 June 2024 of:

- a) the major decisions on Directors' remuneration;
- b) any substantial changes relating to Directors' remuneration made during the period; and
- c) the context in which those changes occurred and the decisions which have been taken.

The Directors' Remuneration Report was approved by the Board on 29 October 2024 and is signed on its behalf by:

  
John Birch

Co-Chairman  
29 October 2024

Marc Gabelli  
Co-Chairman



# Statement of Directors' Responsibilities in respect of the Financial Statements

We share this Report to Shareholders, encompassing the year ended 30 June 2024, and note certain developments post calendar year end. This period included several important changes for the Gabelli Merger Plus+ Trust Plc (the "Company"), which include:

- The Company paid three interim dividends totalling \$0.48 per share relating to the fiscal year ended 30 June 2023.
- On 5 October 2023 the Company named John Birch as non-executive Co-Chairman and named Patrick Huvane and Manjit Kalha as executives. On 30 November 2023 the Company named Gustavo Pifano as an executive.
- In February 2024, the Company announced the commencement of an On-Market Repurchase ("OMT") via an ongoing SETSqx tender for up to 5% of the shares held by minority shareholders or approximately 25,000 shares. A total of 19,500 shares were repurchased as part of this program.
- The Company has elected continued adherence to the AIC's SORP. Although no longer a trust, the Company has elected to continue to prepare the financial statements on a basis compliant with the recommendations of the SORP. The SORP is issued by the AIC and it sets out recommendations, intended to represent current best practice, on the form and contents of the financial statements of Investment Companies. Investment Companies include investment trust companies that have been, currently are, or are directing its affairs so as to enable it to obtain or retain approval under Section 1158 of the Corporation Tax Act 2010. Although the Company no longer meets the requirements of Section 1158 of the Corporation Tax Act 2010 to be an investment trust, it continues to conduct its affairs as an investment company.
- The Company previously authorised the issuance of Special Voting Loyalty Shares in accordance with the terms specified in the Loyalty Programme. During the year ended 30 June 2024, Associated Capital Group, Inc. subscribed for Special Voting Loyalty Shares, which increased its voting interest.

Gabelli Merger Plus+ Trust Plc ("GMP") seeks to achieve long-term total return from capital appreciation and income utilizing the Gabelli Private Market Value with a Catalyst™ methodology, primarily investing in the securities of businesses undergoing some form of strategic change where there are substantial disconnects between market price and business value, and, where catalysts exist that may narrow these discounts for the benefit of shareholders. GMP objectives, operating within this highly specialised value based catalyst event driven merger arbitrage discipline, are to compound and preserve shareholder wealth over time while remaining non-correlated to the broad equity and fixed income markets.

The GMP investment process begins by focusing on a company's balance sheet and underlying fundamentals, looking for changes in market positions and analyzing the company's ability to generate free cash flow relative to competition. The process continues with the calculation of corporate replacement and intrinsic values while accounting for sector wide industrial synergies in the context of profitability and growth. The manager attempts to understand what an informed industrialist would pay for a business in its entirety through a negotiated acquisition process. This element serves as the foundation in determining what is deemed a business's Private Market Value ("PMV"). Lastly, the manager builds a diversified portfolio of companies

in the public market that are selling at discounts to their PMVs, with a catalyst in place to generate returns. The investment programme is global, encompassing a broad spectrum of value based special situations and event driven opportunities, with an analytical emphasis on announced merger transactions. As market price dislocations continue, it is expected this programme will include minority and also majority controlling stakes in businesses. Controlling stakes may require the management of operating businesses on behalf of the company's shareholders in an effort to deliver the company's objectives in accordance with investment policy. Over the long term GMP strives to achieve superior risk-adjusted annual returns above inflation for shareholders.

On behalf of the Board of Directors, we thank investors for entrusting a portion of their assets with the Gabelli Merger Plus+ Trust ("GMP"). We appreciate your confidence in the Gabelli long-term oriented investment method.

The Portfolio Manager's Review on pages 9 to 10 provides details of the important events that have occurred during the period and their impact on the financial statements.

## Company Considerations

Investors should note the difference between book and accounting value. Deferred tax assets ("DTA") can be used to offset certain taxes as applicable in the United Kingdom. And as such based on a continuing level of activity the DTA are expected to be utilised over the foreseeable future resulting in the company not paying UK tax for this year.

As a result of Associated Capital Group Inc's ownership of 92.6% of shares in issue, the Company is a consolidated subsidiary for Associated Capital Group Inc's financial reporting purposes. As such, activities of the Company and of Associated Capital Group Inc. could be deemed related parties for purposes of this disclosure.

Investors should note that as a close company with Associated Capital Group Inc. controlling greater than 90% of shares that Associated Capital Group Inc. may be able to ensure the approval of shareholder resolutions.

## Principal Risks and Uncertainties

The principal risks and uncertainties faced by the Company fall into the following broad categories: investment portfolio; global macro events; operational; market and share price; financial; corporate governance and regulatory compliance; taxation; emerging and geopolitical risks. The global macro event category includes specific market and operational risks associated with the geopolitical conflicts, which continue to cause uncertainty and disruption across global economies and markets. Information on each of these identified risk areas, including mitigating actions taken by the Company, was provided in the Strategic Report in the Company's Annual Report and Accounts for the year ended 30 June 2024.

The Directors together with the Manager will continue to monitor business continuity and resilience processes with the objective of mitigating any potential for ongoing of the various ongoing geopolitical conflicts.

# Statement of Directors' Responsibilities in respect of the Financial Statements continued

## Related Party Disclosure and Transactions

During the financial year, other than fees payable by the Company in the ordinary course of business, there have been no material transactions with related parties which have materially affected the financial position or the performance of the Company.

## Going Concern

The Board have closely monitored the impact of the various geopolitical events as the related continuing uncertainty have short- and potentially medium-term implications for the Company's investment strategy. Additionally, the Board is monitoring the period ahead on the basis of the Company no longer having investment trust status and its implications on the Company's investment return profile over the longer term. In context, the Board continuously monitors the Company's investment portfolio, liquidity and gearing, along with levels of market activity, to appropriately minimise and mitigate consequential risks to capital and future income such as geopolitical risks, financial risks etc. Taking these factors into account, the Directors confirm that they have a reasonable expectation that the Company will continue to operate and meet its expenses as they fall due. For these reasons, the Directors consider there is reasonable evidence to continue to adopt the going concern basis in preparing the accounts as at 30 June 2024.

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company Law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the financial statements in accordance with UK-adopted international accounting standards in conformity with the requirements of the Companies Act 2006. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable UK-adopted international accounting standards in conformity with the requirements of the Companies Act 2006 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure

that the financial statements and the Directors' Remuneration Report comply with the Companies Act 2006.

The Directors are responsible for the maintenance and integrity of the Company's website.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

## Directors' confirmations

The Directors consider that the annual report and accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

In the case of each Director in office at the date the Director's Report is approved:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

The annual financial report was approved by the Board on 29 October 2024 and the above responsibility statement was signed on its behalf by the Co-Chairmen.

By order of the Board

  
John Birch  
Co-Chairman  
29 October 2024

Marc Gabelli  
Co-Chairman



# Independent auditors' report to the members of Gabelli Merger Plus+ Trust Plc

## Report on the audit of the financial statements

### Opinion

In our opinion, Gabelli Merger Plus+ Trust Plc's financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2024 and of its profit and cash flows for the year then ended;
- have been properly prepared in accordance with UK-adopted international accounting standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Accounts (the "Annual Report"), which comprise: the Statement of Financial Position as at 30 June 2024; the Statement of Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Our opinion is consistent with our reporting to the Audit & Risk Committee.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, as applicable to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

To the best of our knowledge and belief, we declare that non-audit services prohibited by the FRC's Ethical Standard were not provided.

We have provided no non-audit services to the company in the period under audit.

### Our audit approach

#### Overview

#### Audit scope

- The company is a standalone Investment company and engages Gabelli Funds, LLC (the "Manager") to manage its assets.
- We conducted our audit of the Financial Statements using information from State Street Global Services (the "Administrator") to whom the Manager has, with the consent of the Directors, delegated the provision of certain administrative functions.
- We tailored the scope of our audit taking into account the types of investments within the company, the involvement of the third parties referred to above, the accounting processes and controls, and the industry in which the company operates.
- We obtained an understanding of the control environment in place at both the Manager and the Administrator, and adopted a fully substantive testing approach using reports obtained from the administrator.

#### Key audit matters

- Valuation and existence of investments.
- Income from investments.

#### Materiality

- Overall materiality: \$686,130 (2023: \$664,931) based on 1% of net assets.
- Performance materiality: \$514,598 (2023: \$498,698).

#### The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements.

# Independent auditors' report to the members of Gabelli Merger Plus<sup>+</sup> Trust Plc continued

## Key audit matters

Key audit matters are those matters that, in the auditors' professional judgement, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditors, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters, and any comments we make on the results of our procedures thereon, were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

This is not a complete list of all risks-identified by our audit.

Taxation, which was a key audit matter last year, is no longer included because of the fact that the prior year was the first time the Company could not avail itself of the s1158 Investment Trust tax exemption leading to additional audit focus on the tax treatment of previously unrecognised deferred tax assets. As no issues were identified in the prior year taxation is no longer treated as a key audit matter in the current year. Otherwise, the key audit matters below are consistent with last year.

| Key audit matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | How our audit addressed the key audit matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>Valuation and existence of investments</b></p> <p>Refer to Accounting Policies, Note 2(g) and Notes to the Financial Statements, Note 3. The investment portfolio at year-end consisted of listed equity investments and derivatives (contracts for difference). We focused on the valuation and existence of investments because investments represent the principal element of the net asset value as disclosed in the Statement of Financial Position in the financial statements. We also focused on the accounting policy for the valuation of investments as set out in the accounting standards as incorrect application could indicate a misstatement in the valuation of investments.</p>                                                                 | <ul style="list-style-type: none"> <li>• We assessed the accounting policy for the valuation of investments for compliance with accounting standards and the AIC SORP and performed testing to check that investments are accounted for in accordance with this stated accounting policy.</li> <li>• We tested the valuation of the listed equity investments by agreeing the prices used in the valuation to independent third party sources.</li> <li>• We tested the existence of the investment portfolio by agreeing listed equity investment holdings to an independent custodian confirmation.</li> <li>• For derivatives, we tested a sample of the valuation of these investments using valuation techniques as advised by our valuation specialists.</li> <li>• We tested the existence of derivatives by using third party information obtained directly from the broker.</li> <li>• No material issues were identified.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <p><b>Income from investments</b></p> <p>Income from investments refers to dividend income and net capital gains from investments. Refer to Accounting Policies, Note 2(e) and 2(g). We focused on the accuracy, occurrence and completeness of dividend income, and occurrence of net capital gains as inaccurate recognition of income could have a material impact on the company's net asset value and dividend cover. We also focused on the accounting policy for income recognition and its presentation in the Statement of Comprehensive Income as set out in the requirements of The Association of Investment Companies Statement of Recommended Practice (the "AIC SORP") as incorrect application could result in a misstatement in income recognition.</p> | <ul style="list-style-type: none"> <li>• We assessed the accounting policies implemented were in accordance with accounting standards and the AIC SORP, and that income has been accounted for in accordance with the stated accounting policy.</li> <li>• We tested the accuracy of dividend receipts by agreeing the dividend rates from investments to independent market data. To test for occurrence, we confirmed that a sample of dividends recorded had occurred in the market. To test for completeness, we tested that the appropriate dividends had been received in the year by reference to independent data of dividends declared for all listed investments during the year.</li> <li>• We also tested the allocation and presentation of dividend income between the revenue and capital return columns of the Income Statement in line with the requirements set out in the AIC SORP by confirming reasons behind dividend distributions.</li> <li>• The gains and losses on investments held at fair value comprise realised and unrealised gains and losses. For unrealised gains and losses, we tested the valuation of the portfolio at the year-end (on a sample basis for derivatives), together with testing the reconciliation of opening and closing investments. For realised gains and losses, we tested a sample of disposals by agreeing the proceeds to bank statements and we re-performed the calculation of a sample of realised gains and losses.</li> <li>• No material issues were identified.</li> </ul> |

#### How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the company, the accounting processes and controls, and the industry in which it operates.

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we looked at where the Directors made subjective judgements, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain.

#### The impact of climate risk on our audit

In planning our audit, we made enquiries of the Directors and Manager to understand the extent of the potential impact of climate change risk on the Company's financial statements. Both concluded that the impact on the measurement and disclosures within the financial statements is not material because the Company's investment portfolio is primarily made up of Level 1 quoted securities which are valued at fair value based on market prices. We found this to be consistent with our understanding of the Company's investment activities.

We also considered the consistency of the climate change disclosures included in the Strategic Report with the financial statements and our knowledge from our audit.

#### Materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

|                                        |                                                                                                                                                                                                |
|----------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Overall company materiality</b>     | \$686,130 (2023: \$664,931).                                                                                                                                                                   |
| <b>How we determined it</b>            | 1% of net assets                                                                                                                                                                               |
| <b>Rationale for benchmark applied</b> | We believe that net assets is the primary measure used by shareholders in assessing the performance of the company and is a generally accepted auditing benchmark for investment trust audits. |

We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. Specifically, we use performance materiality in determining the scope of our audit and the nature and extent of our testing of account balances, classes of transactions and disclosures, for example in determining sample sizes. Our performance materiality was 75% (2023: 75%) of overall materiality, amounting to \$514,598 (2023: \$498,698) for the company financial statements.

In determining the performance materiality, we considered a number of factors – the history of misstatements, risk assessment and aggregation risk and the effectiveness of controls – and concluded that an amount at the upper end of our normal range was appropriate.

We agreed with the Audit & Risk Committee that we would report to them misstatements identified during our audit above \$34,307 (2023: \$33,247) as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

# Independent auditors' report to the members of Gabelli Merger Plus<sup>+</sup> Trust Plc continued

## Conclusions relating to going concern

Our evaluation of the directors' assessment of the company's ability to continue to adopt the going concern basis of accounting included:

- Evaluating the Directors' assessment of potential operational impacts arising from geopolitical instability in certain regions, considering their consistency with other available information and our understanding of the business and assessed the potential impact on the financial statements;
- Reviewing the Directors' assessment of the Company's financial position in the context of its ability to meet future expected operating expenses, their assessment of liquidity as well as their review of the operational resilience of the Company and oversight of key third-party service providers;
- Assessing the implications of potential significant reductions in Net Asset Value as a result of market performance on the ongoing ability of the Company to operate;
- Assessing the impact of the loss of Investment Trust Company status and the continued operations of the Company.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

In relation to the directors' reporting on how they have applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the directors' statement in the financial statements about whether the directors considered it appropriate to adopt the going concern basis of accounting.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

## Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion on, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described on the following page.

### Strategic report and Director's Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' Report for the year ended 30 June 2024 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' Report.

### Directors' Remuneration

In our opinion, the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006.

### Corporate governance statement

The Listing Rules require us to review the directors' statements in relation to going concern, longer-term viability and that part of the corporate governance statement relating to the company's compliance with the provisions of the UK Corporate Governance Code specified for our review. Our additional responsibilities with respect to the corporate governance statement as other information are described in the Reporting on other information section of this report.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the corporate governance statement is materially consistent with the financial statements and our knowledge obtained during the audit, and we have nothing material to add or draw attention to in relation to:

- The directors' confirmation that they have carried out a robust assessment of the emerging and principal risks;
- The disclosures in the Annual Report that describe those principal risks, what procedures are in place to identify emerging risks and an explanation of how these are being managed or mitigated;
- The directors' statement in the financial statements about whether they considered it appropriate to adopt the going concern basis of accounting in preparing them, and their identification of any material uncertainties to the company's ability to continue to do so over a period of at least twelve months from the date of approval of the financial statements;
- The directors' explanation as to their assessment of the company's prospects, the period this assessment covers and why the period is appropriate; and
- The directors' statement as to whether they have a reasonable expectation that the company will be able to continue in operation and meet its liabilities as they fall due over the period of its assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

Our review of the directors' statement regarding the longer-term viability of the company was substantially less in scope than an audit and only consisted of making inquiries and considering the directors' process supporting their statement; checking that the statement is in alignment with the relevant provisions of the UK Corporate Governance Code; and considering whether the statement is consistent with the financial statements and our knowledge and understanding of the company and its environment obtained in the course of the audit.

In addition, based on the work undertaken as part of our audit, we have concluded that each of the following elements of the corporate governance statement is materially consistent with the financial statements and our knowledge obtained during the audit:

- The directors' statement that they consider the Annual Report, taken as a whole, is fair, balanced and understandable, and provides the information necessary for the members to assess the company's position, performance, business model and strategy;
- The section of the Annual Report that describes the review of effectiveness of risk management and internal control systems; and
- The section of the Annual Report describing the work of the Audit & Risk Committee.

We have nothing to report in respect of our responsibility to report when the directors' statement relating to the company's compliance with the Code does not properly disclose a departure from a relevant provision of the Code specified under the Listing Rules for review by the auditors.

# Independent auditors' report to the members of Gabelli Merger Plus<sup>+</sup> Trust Plc continued

## Responsibilities for the financial statements and the audit

### Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities in respect of the Financial Statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to breaches of the Corporation Tax Act 2010, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting of inappropriate journal entries to increase income or to overstate the value of investments and increase the net asset value of the company. Audit procedures performed by the engagement team included:

- Discussions with the Directors, the Manager and the Administrator, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluation of the controls implemented by the Manager and the Administrator designed to prevent and detect irregularities;
- Assessment of the company's compliance with the Corporation Tax Act 2010, including recalculation of numerical aspects of the tax expense; and
- Identifying and testing journal entries, in particular a sample of journals posted as part of the financial year end close process.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

### Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, 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.

## Other required reporting

### Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

### Appointment

Following the recommendation of the Audit & Risk Committee, we were appointed by the members on 1 July 2017 to audit the financial statements for the year ended 30 June 2018 and subsequent financial periods. The period of total uninterrupted engagement is 7 years, covering the years ended 30 June 2018 to 30 June 2024.

Kevin Rollo (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
London  
29 October 2024

# Statement of Comprehensive Income

for the year ended 30 June 2024

|                                                                            | Notes | Year ended 30 June 2024 |                  |                | Year ended 30 June 2023 |                  |                |
|----------------------------------------------------------------------------|-------|-------------------------|------------------|----------------|-------------------------|------------------|----------------|
|                                                                            |       | Revenue<br>\$000        | Capital<br>\$000 | Total<br>\$000 | Revenue<br>\$000        | Capital<br>\$000 | Total<br>\$000 |
| <b>Income</b>                                                              |       |                         |                  |                |                         |                  |                |
| Investment income                                                          | 5     | 2,374                   | -                | 2,374          | 1,012                   | -                | 1,012          |
| <b>Total investment income</b>                                             |       | <b>2,374</b>            | <b>-</b>         | <b>2,374</b>   | <b>1,012</b>            | <b>-</b>         | <b>1,012</b>   |
| <b>Gains on investments</b>                                                |       |                         |                  |                |                         |                  |                |
| Net realised and unrealised gains on investments                           | 3, 13 |                         | 2,255            | 2,255          | -                       | 4,707            | 4,707          |
| Net realised and unrealised currency gains on investments                  |       |                         | 24               | 24             | -                       | 114              | 114            |
| <b>Net gains on investments</b>                                            |       |                         | <b>2,279</b>     | <b>2,279</b>   | <b>-</b>                | <b>4,821</b>     | <b>4,821</b>   |
| <b>Total income and gains on investments</b>                               |       | <b>2,374</b>            | <b>2,279</b>     | <b>4,653</b>   | <b>1,012</b>            | <b>4,821</b>     | <b>5,833</b>   |
| <b>Expenses</b>                                                            |       |                         |                  |                |                         |                  |                |
| Portfolio management fee                                                   | 6     | (568)                   | -                | (568)          | (654)                   | -                | (654)          |
| Performance fee                                                            | 6, 14 | -                       | -                | -              | -                       | -                | -              |
| Other expenses                                                             | 6     | (647)                   | (600)            | (1,247)        | (807)                   | (501)            | (1,308)        |
| <b>Total expenses</b>                                                      |       | <b>(1,215)</b>          | <b>(600)</b>     | <b>(1,815)</b> | <b>(1,461)</b>          | <b>(501)</b>     | <b>(1,962)</b> |
| <b>Net return on ordinary activities before finance costs and taxation</b> |       | <b>1,159</b>            | <b>1,679</b>     | <b>2,838</b>   | <b>(449)</b>            | <b>4,320</b>     | <b>3,871</b>   |
| Interest expense and similar charges                                       |       | (20)                    | -                | (20)           | (26)                    | -                | (26)           |
| <b>Profit/(loss) before taxation</b>                                       |       | <b>1,139</b>            | <b>1,679</b>     | <b>2,818</b>   | <b>(475)</b>            | <b>4,320</b>     | <b>3,845</b>   |
| Taxation on ordinary activities                                            | 8     | (316)                   | (510)            | (826)          | 3,471                   | -                | 3,471          |
| <b>Profit for the year</b>                                                 |       | <b>823</b>              | <b>1,169</b>     | <b>1,992</b>   | <b>2,996</b>            | <b>4,320</b>     | <b>7,316</b>   |
| <b>Profit per share (basic and diluted)</b>                                | 9     | <b>\$0.12</b>           | <b>\$0.17</b>    | <b>\$0.29</b>  | <b>\$0.39</b>           | <b>\$0.55</b>    | <b>\$0.94</b>  |

The total column of this statement represents the Statement of Comprehensive Income prepared in accordance with UK International Accounting Standards (UK IAS). The supplementary revenue return and capital return columns are both prepared under guidance issued by the Association of Investment Companies. All items in the above statement derive from continuing operations.

No operations were acquired or discontinued during the year ended 30 June 2024.

The Company does not have any income or expense that is not included in net profit for the year. Accordingly, the net profit for the period is also the total comprehensive income for the year, as defined in UK IAS.

The notes on pages 46 to 70 form part of these financial statements.

# Statement of Changes in Equity

for the year ended 30 June 2024

|                                                        |      | Year ended 30 June 2024       |                                                  |                       |                        |             |
|--------------------------------------------------------|------|-------------------------------|--------------------------------------------------|-----------------------|------------------------|-------------|
| Year ended 30 June 2024                                | Note | Called up Share Capital \$000 | Special Distributable Reserve <sup>1</sup> \$000 | Capital Reserve \$000 | Revenue Reserve* \$000 | Total \$000 |
| Balance as at 1 July 2023                              |      | 103                           | 45,995                                           | 25,285                | (1,360)                | 70,023      |
| Ordinary shares bought back into treasury              |      | -                             | (175)                                            | -                     | -                      | (175)       |
| Profit for the period after tax on ordinary activities |      | -                             | -                                                | 1,169                 | 823                    | 1,992       |
| Dividends paid                                         | 7    | -                             | (3,227)                                          | -                     | -                      | (3,227)     |
| Balance as at 30 June 2024                             |      | 103                           | 42,593                                           | 26,454                | (537)                  | 68,613      |
|                                                        |      | Year ended 30 June 2023       |                                                  |                       |                        |             |
| Year ended 30 June 2023                                | Note | Called up Share Capital \$000 | Special Distributable Reserve* \$000             | Capital Reserve \$000 | Revenue Reserve* \$000 | Total \$000 |
| Balance as at 1 July 2022                              |      | 103                           | 79,062                                           | 20,965                | (4,356)                | 95,774      |
| Ordinary shares bought back into treasury              |      | -                             | (32,245)                                         | -                     | -                      | (32,245)    |
| Profit for the period after tax on ordinary activities |      | -                             | -                                                | 4,320                 | 2,996                  | 7,316       |
| Dividends paid                                         | 7    | -                             | (822)                                            | -                     | -                      | (822)       |
| Balance as at 30 June 2023                             |      | 103                           | 45,995                                           | 25,285                | (1,360)                | 70,023      |

<sup>1</sup> The Revenue Reserve and Special Distributable Reserve are distributable. The amount of the Revenue Reserve and Special Distributable Reserve that is distributable is not necessarily the full amount of the reserves as disclosed within these financial statements. As at 30 June 2024, the net amount of reserves that are distributable is \$42,056,000 (2023: \$44,635,000).

## Statement of Financial Position

as at 30 June 2024

|                                                       | Note | As at 30 June 2024 |                | As at 30 June 2023 |                |
|-------------------------------------------------------|------|--------------------|----------------|--------------------|----------------|
|                                                       |      | \$000              | \$000          | \$000              | \$000          |
| <b>Non-current assets</b>                             |      |                    |                |                    |                |
| Investments held at fair value through profit or loss | 3    |                    | 57,488         |                    | 56,514         |
| <b>Current assets</b>                                 |      |                    |                |                    |                |
| Cash and cash equivalents                             | 10   | 8,430              |                | 9,555              |                |
| Receivable for investment sold                        |      | 1,391              |                | 1,800              |                |
| Other receivables                                     | 15   | 131                |                | 73                 |                |
| Deferred tax asset                                    | 8    | 2,774              |                | 3,530              |                |
|                                                       |      | 12,726             |                | 14,958             |                |
| <b>Current liabilities</b>                            |      |                    |                |                    |                |
| Portfolio management fee payable                      |      | (46)               |                | (46)               |                |
| Payable for investment purchased                      |      | (661)              |                | (571)              |                |
| Other payables                                        | 15   | (403)              |                | (349)              |                |
| Bank overdrafts                                       |      |                    | (89)           |                    | (106)          |
| <b>Net current assets</b>                             |      |                    | 11,527         |                    | 13,886         |
| <b>Non-current liabilities</b>                        |      |                    |                |                    |                |
| Investments at fair value through profit or loss      | 3    | (350)              |                |                    | (325)          |
| Offering fees payable                                 |      | (52)               |                |                    | (52)           |
| <b>Net assets</b>                                     |      | 68,613             |                |                    | 70,023         |
| <b>Share capital and reserves</b>                     |      |                    |                |                    |                |
| Called-up share capital                               | 11   | 103                |                | 103                |                |
| Special distributable reserve <sup>1</sup>            |      | 42,593             |                | 44,635             |                |
| Capital reserve                                       |      | 26,454             |                | 25,285             |                |
| Revenue reserve <sup>1</sup>                          |      | (537)              |                | (1,360)            |                |
| <b>Total shareholders' funds</b>                      |      |                    | 68,613         |                    | 70,023         |
| <b>Net asset value per ordinary share</b>             |      |                    | <b>\$10.04</b> |                    | <b>\$10.22</b> |

<sup>1</sup> The Revenue Reserve and Special Distributable Reserve are distributable. The amount of the Revenue Reserve and Special Distributable Reserve that is distributable is not necessarily the full amount of the reserves as disclosed within these financial statements. As at 30 June 2024, the net amount of reserves that are distributable are \$42,056,000 (2023: \$44,635,000).

  
John Birch  
Co-Chairman  
29 October 2024

Marc Gabelli  
Co-Chairman



# Statement of Cash Flows

for the year ended 30 June 2024

|                                                             | Year ended<br>30 June 2024 |                            | Year ended<br>30 June 2023 |                          |
|-------------------------------------------------------------|----------------------------|----------------------------|----------------------------|--------------------------|
|                                                             | \$000                      | \$000                      | \$000                      | \$000                    |
| <b>Cash flows from operating activities</b>                 |                            |                            |                            |                          |
| Profit before tax                                           |                            | 2,818                      |                            | 3,845                    |
| Adjustments for:                                            |                            |                            |                            |                          |
| Gains on investments                                        | (2,279)                    |                            | (4,821)                    |                          |
| <b>Cash flows from operating activities</b>                 |                            |                            |                            |                          |
| Purchases of investments <sup>1</sup>                       | (212,093)                  |                            | (140,570)                  |                          |
| Sales of investments <sup>1</sup>                           | 213,898                    |                            | 178,372                    |                          |
| Increase in receivables                                     | (58)                       |                            | (7)                        |                          |
| Increase in payables                                        | 74                         |                            | 148                        |                          |
| Foreign withholding taxes on dividends                      | (70)                       |                            | (59)                       |                          |
| <b>Net cash flows from operating activities</b>             |                            | <b>2,290</b>               |                            | <b>36,908</b>            |
| <b>Cash flows from financing activities</b>                 |                            |                            |                            |                          |
| Shares bought back for cash                                 | (175)                      |                            | (32,245)                   |                          |
| Dividends paid                                              | (3,227)                    |                            | (822)                      |                          |
| Interest paid                                               | (20)                       |                            | (26)                       |                          |
| <b>Net cash flows from financing activities</b>             |                            | <b>(3,422)</b>             |                            | <b>(33,093)</b>          |
| <b>Net (decrease)/increase in cash and cash equivalents</b> |                            | <b>(1,132)</b>             |                            | <b>3,815</b>             |
| Cash and cash equivalents at the start of the period        |                            | 9,449                      |                            | 5,520                    |
| Effect of foreign exchange rates                            |                            | 24                         |                            | 114                      |
| <b>Cash and cash equivalents at the end of the period</b>   |                            | <b>8,341<sup>2,3</sup></b> |                            | <b>9,449<sup>2</sup></b> |

<sup>1</sup> Receipts from the sale of, and payments to acquire, investment securities, have been classified as components of cash flows from operating activities because they form part of the Company's dealing operations.

<sup>2</sup> As at 30 June 2024, \$6,223,143 (2023: \$3,942,151) was held as collateral at UBS securities LLC for Contracts for Difference, and was restricted.

<sup>3</sup> As at 30 June 2024, Cash and cash equivalents at the end of the period includes Cash and cash equivalents of \$8,430 and Bank overdrafts of \$89 (2023: \$9,555 and \$106, respectively).

Gabelli Merger Plus+ Trust Plc is registered in England and Wales under Company number 10747219.

The financial statements on pages 42 to 45 were approved by the Board of Directors on 29 October 2024 and signed on its behalf by

  
John Birch  
Co-Chairman  
29 October 2024

Marc Gabelli  
Co-Chairman



# Notes to the Financial Statements

## 1 General Information

Gabelli Merger Plus+ Trust Plc (the "Company") is a closed-ended public limited company incorporated in the United Kingdom on 28 April 2017 with registered number 10747219.

## 2 Accounting policies

- (a) **Basis of preparation** - The financial statements of Gabelli Merger Plus+ Trust Plc have been prepared in accordance with the UK adopted International Financial Reporting Standards (IFRS). The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities (including derivative financial instruments) at fair value through profit or loss.

The principal accounting policies adopted by the Company are set out below. Where presentational guidance set out in the Statement of Recommended Practice ('SORP') for investment trusts issued by the Association of Investment Companies ('AIC') in October 2019 is consistent with the requirements of IFRS, the Directors have sought to prepare the financial statements on a basis compliant with the recommendations of the SORP.

For the accounting period ended 30 June 2022, the Company met the requirements to be an investment trust under sections 1158 and 1159 of the Corporation Tax Act of 2010. However, as a result of the Tranche One Tender Offer completed in the third quarter of 2022, the Company subsequently became a close company due to becoming controlled by a single participator, Associated Capital Group, Inc.

Although no longer an Investment Trust, the Company has elected to continue to prepare the financial statements on a basis compliant with the recommendations of the SORP. The SORP is issued by the AIC and it sets out recommendations, intended to represent current best practice, on the form and contents of the financial statements of Investment Companies. Investment Companies include investment trust companies that have been, currently are, or are directing its affairs so as to enable it to obtain or retain approval under Section 1158 of the Corporation Tax Act 2010. Although the Company no longer meets the requirements of Section 1158 of the Corporation Tax Act 2010 to be an investment trust, it continues to conduct its affairs as an investment company. Further, management of the Company also believes that consistency in presentation will be beneficial to individuals reviewing the Company's financial statements.

- (b) **Presentation of Statement of Comprehensive Income** - To better reflect the activities of an investment trust company and in accordance with guidance issued by the AIC, supplementary information which analyses the Statement of Comprehensive Income between items of a revenue and capital nature has been presented alongside the Statement of Comprehensive Income.
- (c) **Going concern** - The Directors have taken account of the continuing market regulatory changes affecting investee companies, investment valuations and various geopolitical conflicts. Those impacts and related continuing uncertainty have short- and potentially medium-term implications for the Company's investment strategy. Additionally, the Board is monitoring the period ahead on the basis of the Company no longer having investment trust status and its implications on the Company's investment return profile over the longer term. In context, the Board continuously monitors the Company's investment portfolio, liquidity, and gearing, along with levels of market activity, to appropriately minimise and mitigate consequential risks to capital and future income such as geopolitical risks and financial risks. Taking these factors into account, the Directors confirm that they have a reasonable expectation that the Company will continue to operate and meet its expenses as they fall due for a period no less than 12 months from the signing of the balance sheet. For these reasons, the Directors consider there is reasonable evidence to continue to adopt the going concern basis in preparing the accounts as at 30 June 2024.

In forming this position, the Directors considered the Company's investment objectives, risk management policies, capital management policies and procedures, the nature of the portfolio and expenditure projections in detail.

- (d) **Statement of estimation uncertainty** - In the application of the Company's accounting policies, the Investment Manager is required to make judgements, estimates, and assumptions about carrying values of assets and liabilities that are not always readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may vary from these estimates. There have been no significant judgements, estimates, or assumptions for the period.

## 2 Accounting policies (continued)

- (e) **Income recognition** – Revenue from investments (other than special dividends), including taxes deducted at source, is included in revenue by reference to the date on which the investment is quoted ex-dividend, or where no ex-dividend date is quoted, when the Company's right to receive payment is established. Franked investment income is stated net of the relevant tax credit. Other income includes any taxes deducted at source.

*Special dividends are credited to capital or revenue, according to the circumstances. Scrip dividends are treated as unfranked investment income; any excess in value of the shares received over the amount of the cash dividend is recognised as a capital item in the Statement of Comprehensive Income.*

Interest income is accounted for on an accrual basis by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

- (f) **Expenses** – The management fees are allocated to revenue in the Statement of Comprehensive Income. Interest receivable and payable and management expenses are treated on an accruals basis. Other expenses are charged to revenue except where they directly relate to the acquisition or disposal of an investment, in which case, they are added to the cost of the investment or deducted from the sale proceeds. Starting with the year ended 30 June 2023, transaction and finance charges related to contracts for difference are charged to capital.

*The formation and initial expenses of the Company are allocated to capital.*

- (g) **Investments** – Investments have been designated upon initial recognition at fair value through profit or loss. Investments are recognised and de-recognised at trade date where a purchase or sale is under a contract whose terms require delivery within the time frame established by the market concerned, and are initially measured at fair value. Subsequent to initial recognition, investments are valued at fair value. U.S. Treasuries held for investment diversification purposes are not included as cash equivalents and are valued at their amortised cost. Movements in the fair value of investments and gains/losses on the sale of investments are taken to the Statement of Comprehensive Income as capital items.

The Company's investments are classified as held at fair value through profit or loss in accordance with applicable International Financial Standards.

Financial assets and financial liabilities are recognised in the Statement of Financial Position when the Company becomes a party to the contractual provisions of the instrument. The Company shall offset financial assets and financial liabilities if it has a legally enforceable right to set off the recognised amounts and interests and intends to settle on a net basis. Financial assets and liabilities are derecognised when the Company settles its obligations relating to the instrument.

### Contracts for Difference (CFDs)

CFDs are recognised in the Statement of Financial Position at the accumulated unrealised gain or loss as an asset or liability, respectively. This represents the difference between the nominal book cost and market value of each position held. Movements in the unrealised gains/losses are taken to the Statement of Comprehensive Income as capital items.

- (h) **Cash and cash equivalents** – The Company may invest part of its net assets in cash and cash equivalents, money market instruments, bonds, commercial papers or other debt obligations with banks or other counterparties, having at least a single-A (or equivalent) credit rating from an internationally recognised rating agency or government and other public securities, if the Portfolio Manager believes that it would be in the best interests of the Company and its shareholders. This may be the case, for example, where the Portfolio Manager believes that adverse market conditions justify a temporary defensive position.

*Any cash or surplus assets may also be temporarily invested in such instruments pending investment in accordance with the Company's investment policy. Cash balances are marked to market based on the prevailing exchange rate as of the valuation date. U.S. Treasuries are valued at their amortised cost.*

- (i) **Transaction costs** – Transaction costs incurred on the purchase and disposal of investments are recognised as a capital item in the Statement of Comprehensive Income.
- (j) **Foreign currency** – Foreign currencies are translated at the rates of exchange ruling on the period end date. Revenue received/receivable and expenses paid/payable in foreign currencies are translated at the rates of exchange ruling at the transaction date.
- (k) **Fair value** – All financial assets and liabilities are recognised in the financial statements at fair value.
- (l) **Dividends payable** – Interim and final dividends are recognised in the period in which they are declared.
- (m) **Capital reserve** – Capital distributions received, realised gains or losses on investments that are readily convertible to cash, and capital expenses are transferred to the capital reserve. Share buybacks are funded through the capital reserve.

# Notes to the Financial Statements continued

## 2 Accounting policies (continued)

- (n) **Taxation** – The tax effect of different items of income/gains and expenditure/losses is allocated between revenue and capital on the same basis as the particular item to which it relates, under the marginal method, using the Company's effective rate of tax. Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the period end date where transactions or events that result in an obligation to pay more or a right to pay less tax in future have occurred at the period end date measured on an undiscounted basis and based on enacted tax rates. This is subject to deferred tax assets only being recognised if it is considered more likely than not that there will be suitable profits from which the future reversal of the underlying timing differences can be deducted. Timing differences are differences arising between the Company's taxable profits and its results as stated in the accounts which are capable of reversal in one or more subsequent periods.

GMP was historically authorized as an Investment Trust under Sections 1158 and 1159 Corporation Tax Act 2010 and the Investment Trust (Approved Company) (Tax) Regulations 2011 (S.I.2011/2999).

Following a share buy-back offer from 19 August 2022 to 22 September 2022, GMP became a close company due to becoming controlled by a single participator, Associated Capital Group Inc. This constituted a "serious" breach of the Investment Trust rules.

Accordingly, GMP notified HMRC of this development in December 2022 and requested confirmation that GMP's authorization as an Investment Trust should be withdrawn from the commencement of the accounting period starting 1 July 2022.

The primary benefit associated with the Investment Trust regime is that capital gains realized by a qualifying Investment Trust company is exempt from UK Corporation Tax. Therefore, loss of Investment Trust status for a UK company can have potentially significant consequences for its tax profile moving forwards, as it would be subject to tax on any capital gains realized thereafter at the main rate of UK Corporation Tax.

At 30 June 2024, after offset against income taxable on receipt, there was a deferred tax asset ("DTA") of \$2.77 million (2023: \$3.53 million) in relation to surplus tax reliefs. After the loss of its Investment Trust Status it is now possible for GMP to utilise this DTA in order to shelter capital gains from UK Corporation Tax. In order for the DTA to remain available, GMP must maintain its investment business moving forward. GMP's activities are such that it will have an investment business for UK tax purposes. In particular, the Investment Trust rules require that "substantially all of the business of the Investment Trust company consists of investing its funds in shares, land or other assets with the aim of spreading investment risk and giving members of the company the benefit of the results of the management of its funds". This may be considered analogous to having an investment business.

Therefore, given (i) GMP previously received approval from HMRC that this requirement was met, and (ii) the activity of the company is not intended to change, GMP will continue having an investment business and will meet the conditions to carry forward and use its excess management expenses in current and future periods. As such GMP has included the DTA in the financial statements.

- (o) **Functional and presentation currency** – The functional and presentation currency of the Company is the U.S. dollar.

### 3 Investments at fair value through profit or loss

The financial assets measured at fair value through profit or loss in the financial statements are grouped into the fair value hierarchy as follows:

| As at 30 June 2024                                    |                  |                  |                  |                |
|-------------------------------------------------------|------------------|------------------|------------------|----------------|
|                                                       | Level 1<br>\$000 | Level 2<br>\$000 | Level 3<br>\$000 | Total<br>\$000 |
| Financial assets at fair value through profit or loss |                  |                  |                  |                |
| Quoted equities                                       | 47,822           | -                | -                | 47,822         |
| Contingent value rights                               | 165              | -                | -                | 165            |
| Derivatives                                           | -                | 317              | -                | 317            |
| U.S. Treasuries                                       | -                | 9,184            | -                | 9,184          |
| Gross fair value                                      |                  |                  |                  | <b>57,488</b>  |
| Derivatives                                           | -                | (350)            | -                | (350)          |
| Net fair value                                        | <b>47,987</b>    | <b>9,151</b>     | -                | <b>57,138</b>  |

| As at 30 June 2023                                    |                  |                  |                  |                |
|-------------------------------------------------------|------------------|------------------|------------------|----------------|
|                                                       | Level 1<br>\$000 | Level 2<br>\$000 | Level 3<br>\$000 | Total<br>\$000 |
| Financial assets at fair value through profit or loss |                  |                  |                  |                |
| Quoted equities                                       | 55,219           | 903              | -                | 56,122         |
| Contingent value rights                               | -                | 257              | -                | 257            |
| Derivatives                                           | -                | 135              | -                | 135            |
| Gross fair value                                      |                  |                  |                  | <b>56,514</b>  |
| Derivatives                                           | -                | (325)            | -                | (325)          |
| Net fair value                                        | <b>55,219</b>    | <b>970</b>       | -                | <b>56,189</b>  |

There were no transfers between levels for all periods presented.

#### Fair value hierarchy

IFRS 13 requires the Company to classify its financial instruments held at fair value using a hierarchy that reflects the significance of the inputs used in the valuation methodologies. These are as follows:

- Level 1 - quoted prices in active markets for identical investments;
- Level 2 - other significant observable inputs (including quoted prices for similar investments, interest rates, prepayments, credit risk, etc.); and
- Level 3 - significant unobservable inputs

## Notes to the Financial Statements continued

## 3 Investments at fair value through profit or loss (continued)

Analysis of changes in market value and book cost of portfolio investments in year

|                                   | Year ended<br>30 June 2024 <sup>1</sup><br>\$000 | Year ended<br>30 June 2023<br>\$000 |
|-----------------------------------|--------------------------------------------------|-------------------------------------|
| Opening book cost                 | 63,218                                           | 99,687                              |
| Opening investment holding losses | (7,029)                                          | (7,722)                             |
| Opening market value              | <b>56,189</b>                                    | <b>91,965</b>                       |
| Additions at cost                 | 212,183                                          | 139,266                             |
| Disposals proceeds received       | (213,489)                                        | (179,749)                           |
| Gains on investments              | 2,255                                            | 4,707                               |
| Market value of investments       | <b>57,138</b>                                    | <b>56,189</b>                       |
| Closing book cost                 | 63,759                                           | 63,218                              |
| Closing investment holding losses | (6,621)                                          | (7,029)                             |
| Closing market value              | <b>57,138</b>                                    | <b>56,189</b>                       |

<sup>1</sup> Figures for the year ended 30 June 2024 include U.S. Treasuries purchased for investment diversification purposes.

The company received \$213,489,000 (2023: \$179,749,000) from investments sold in the year. The book cost of these investments when they were purchased was \$211,642,000 (2023: \$175,735,000). Further explanation of the disposal proceeds received in the year can be found in the Net realised and unrealised gains on investments section.

Net realised and unrealised gains on investments

|                                                  | Year ended<br>30 June 2024<br>\$000 | Year ended<br>30 June 2023<br>\$000 |
|--------------------------------------------------|-------------------------------------|-------------------------------------|
| Realised gains on investments                    | 1,847                               | 4,014                               |
| Movement in unrealised gains on investments      | 408                                 | 693                                 |
| Net realised and unrealised gains on investments | <b>2,255</b>                        | <b>4,707</b>                        |

## 4 Transactions costs

During the year commissions and other expenses were incurred in acquiring or disposing of investments classified at fair value through profit or loss. These have been charged through capital and are within gains in the Statement of Comprehensive Income. The total costs were as follows:

|           | Year ended<br>30 June 2024<br>\$000 | Year ended<br>30 June 2023<br>\$000 |
|-----------|-------------------------------------|-------------------------------------|
| Purchases | 56                                  | 54                                  |
| Sales     | 23                                  | 34                                  |
| Total     | <b>79</b>                           | <b>88</b>                           |

## 5 Income

|                                               | Year ended<br>30 June 2024<br>\$000 | Year ended<br>30 June 2023<br>\$000 |
|-----------------------------------------------|-------------------------------------|-------------------------------------|
| Income from investments                       |                                     |                                     |
| Dividend income                               | 499                                 | 423                                 |
| Income on short-term investments <sup>1</sup> | 1,337                               | 387                                 |
| Other income <sup>2</sup>                     | 538                                 | 202                                 |
| Total income                                  | <b>2,374</b>                        | <b>1,012</b>                        |

<sup>1</sup> Income on short-term investments represents the return on cash and cash equivalents, primarily U.S. Treasury Bills. Further information can be found in Note 10.<sup>2</sup> Includes swap income of \$458,000 and \$172,000, respectively.

## 6 Expenses

|                                          | Year ended<br>30 June 2024<br>\$000 | Year ended<br>30 June 2023<br>\$000 |
|------------------------------------------|-------------------------------------|-------------------------------------|
| <b>Revenue expenses</b>                  |                                     |                                     |
| Portfolio Management Fee                 | (568)                               | (654)                               |
| Directors' Remuneration                  | (157)                               | (157)                               |
| Audit Fees - PwC                         | (100)                               | (145)                               |
| Company Secretary Fees                   | (61)                                | (100)                               |
| Other                                    | (54)                                | (34)                                |
| Legal Fees                               | (50)                                | (122)                               |
| Former AIFM - Carne                      | Nil                                 | (51)                                |
| AIFM Support Services                    | (48)                                | Nil                                 |
| Administration Fees - State Street       | (46)                                | (55)                                |
| Custodian/Depository Fees - State Street | (45)                                | (52)                                |
| Directors' Expenses                      | (21)                                | (11)                                |
| Printing                                 | (17)                                | (28)                                |
| Regulatory Filing Fees - AIFMD           | (13)                                | (14)                                |
| Registrar - Computershare                | (13)                                | (18)                                |
| LSE RNS fees                             | (12)                                | (10)                                |
| Ongoing LSE and UKLA Fees                | (10)                                | (10)                                |
| <b>Total revenue expenses</b>            | <b>(1,215)</b>                      | <b>(1,461)</b>                      |
| <b>Capital expenses</b>                  |                                     |                                     |
| Contracts for Difference                 | (483)                               | (317)                               |
| Transaction costs on derivatives         | (63)                                | (92)                                |
| Transaction Charges - State Street       | (54)                                | (92)                                |
| <b>Total capital expenses</b>            | <b>(600)</b>                        | <b>(501)</b>                        |

**Portfolio Management Fee**

Under the terms of the Portfolio Management Agreement, the Portfolio Manager will be entitled to a management fee ("Management Fee"), together with reimbursement of reasonable expenses incurred by it in the performance of its duties under the Portfolio Management Agreement, other than the salaries of its employees and general overhead expenses attributable to the provision of the services under the Portfolio Management Agreement. The Management Fee shall be accrued daily and calculated on each Business Day at a rate equivalent to 0.85% of NAV per annum.

**AIFM fees**

The Company previously appointed Gabelli Funds, LLC to serve as Alternative Investment Fund Manager pursuant to the AIFMD. Gabelli Funds, LLC does not earn a fee for its role as AIFM; it earned \$568,334 in portfolio management fees during the year ended 30 June 2024 (2023: \$653,934). For the year ended 30 June 2024 Carne provided certain support services to the AIFM such as due diligence and reporting for which it earned fees of \$48,133.

## 7 Equity dividends

|                       | Year ended<br>30 June 2024<br>\$000 | Year ended<br>30 June 2023<br>\$000 |
|-----------------------|-------------------------------------|-------------------------------------|
| <b>Dividends paid</b> | <b>3,227</b>                        | <b>822</b>                          |

During the year ended 30 June 2024 dividends paid per share totalled \$0.48 (2023: \$0.12 per share).

# Notes to the Financial Statements continued

## 8 Taxation on ordinary activities

### Deferred Tax Assets

At 30 June 2023 total recognised deferred tax assets were \$3,530,045. During the year ended 30 June 2024 the Company incurred deferred tax expense of \$755,548 reflecting partial utilisation of the deferred tax asset, resulting in a deferred tax asset of \$2,774,497 or \$0.41 per Ordinary Share.

The deferred tax asset was comprised of \$6,588,127 (\$1,647,032 deferred tax asset at 25% tax rate) related to unrealised losses on the value of the investment portfolio and excess expenses of \$4,509,861 (\$1,127,465 deferred tax asset at 25% tax rate) carried forward. This sum, which is net of the amount set against current period taxable income, arose due to the cumulative deductible expenses having exceeded taxable income over the life of the Company. Now that the Company is no longer an investment trust for tax purposes and is therefore subject to UK capital gains tax, the Company believes it is more likely than not that it will have sufficient taxable profits against which these expenses can be offset. Provided the Company continues to maintain its current investment profile, it is likely that this deferred tax asset will be utilised to offset future taxable income subject to the normal corporate tax loss restriction rules for carried forward losses which restrict their use for any particular period to £5 million plus 50% of profits in excess of that initial £5 million.

| Analysis of the charge in the year | Year ended 30 June 2024 |                  |                |
|------------------------------------|-------------------------|------------------|----------------|
|                                    | Revenue<br>\$000        | Capital<br>\$000 | Total<br>\$000 |
| Deferred tax expense               | (246)                   | (510)            | (756)          |
| Irrecoverable overseas tax         | (70)                    | -                | (70)           |
| <b>Total</b>                       | <b>(316)</b>            | <b>(510)</b>     | <b>(826)</b>   |

Deferred tax expense in the year ended 30 June 2024 is due to the partial utilization of the deferred tax in the offset of current income.

| Factors affecting the tax charge for the year | Year ended 30 June 2024 |                  |                |
|-----------------------------------------------|-------------------------|------------------|----------------|
|                                               | Revenue<br>\$000        | Capital<br>\$000 | Total<br>\$000 |
| Profit before taxation                        | 1,139                   | 1,679            | 2,818          |
| UK Corporation tax at effective rate of 25%   | (285)                   | (420)            | (705)          |
| Effects of:                                   |                         |                  |                |
| Unrealised gains not yet taxable              | -                       | 63               | 63             |
| Capital expenses not deductible               | -                       | (150)            | (150)          |
| Other adjustments                             | 39                      | (3)              | 36             |
| Irrecoverable overseas tax                    | (70)                    | -                | (70)           |
| <b>Total</b>                                  | <b>(31)</b>             | <b>(90)</b>      | <b>(121)</b>   |
| <b>Total tax charge for the year</b>          | <b>(316)</b>            | <b>(510)</b>     | <b>(826)</b>   |

| Analysis of the charge in the year | Year ended 30 June 2023 |                  |                |
|------------------------------------|-------------------------|------------------|----------------|
|                                    | Revenue<br>\$000        | Capital<br>\$000 | Total<br>\$000 |
| Deferred tax benefit               | 3,530                   | -                | 3,530          |
| Irrecoverable overseas tax         | (59)                    | -                | (59)           |
| <b>Total</b>                       | <b>3,471</b>            | <b>-</b>         | <b>3,471</b>   |

## 8 Taxation on ordinary activities (continued)

| Factors affecting the tax charge for the year | Year ended 30 June 2023 |                  |                |
|-----------------------------------------------|-------------------------|------------------|----------------|
|                                               | Revenue<br>\$000        | Capital<br>\$000 | Total<br>\$000 |
| (Loss)/profit before taxation                 | (475)                   | 4,320            | 3,845          |
| UK Corporation tax at effective rate of 20.5% | 97                      | (886)            | (789)          |
| Effects of:                                   |                         |                  |                |
| Deferred tax benefit                          | 3,530                   | -                | 3,530          |
| Irrecoverable overseas tax                    | (59)                    | -                | (59)           |
| <b>Total</b>                                  | <b>3,471</b>            | <b>-</b>         | <b>3,471</b>   |
| <b>Total tax charge for the year</b>          | <b>3,568</b>            | <b>(886)</b>     | <b>2,682</b>   |

## 9 Earnings per share

Earnings per ordinary share is calculated with reference to the following amounts:

|                                                              | Year ended<br>30 June 2024 | Year ended<br>30 June 2023 |
|--------------------------------------------------------------|----------------------------|----------------------------|
| <b>Revenue return</b>                                        |                            |                            |
| Revenue return attributable to ordinary shareholders (\$000) | 823                        | 2,996                      |
| Weighted average number of shares in issue during year       | 6,843,331                  | 7,797,333                  |
| <b>Total revenue return per ordinary share</b>               | <b>\$0.12</b>              | <b>\$0.39</b>              |
| <b>Capital return</b>                                        |                            |                            |
| Capital return attributable to ordinary shareholders (\$000) | 1,169                      | 4,320                      |
| Weighted average number of shares in issue during year       | 6,843,331                  | 7,797,333                  |
| <b>Total capital return per ordinary share</b>               | <b>\$0.17</b>              | <b>\$0.55</b>              |
| <b>Total return per ordinary share</b>                       | <b>\$0.29</b>              | <b>\$0.94</b>              |
| <b>Net asset value per share</b>                             |                            |                            |
| Net assets attributable to shareholders (\$000)              | 68,613                     | 70,023                     |
| Number of shares in issue at year end                        | 6,831,292                  | 6,850,792                  |
| <b>Net asset value per share</b>                             | <b>\$10.04</b>             | <b>\$10.22</b>             |

The Company continues to report according to SORP standards as provided by the AIC. As such, the net asset value per share is provided in accordance with IFRS standards inclusive of the Deferred Tax Asset of \$0.41 per share, or \$2.77 million, as a result of the Company having Close status and no longer availing itself of Section Investment Trust status under Section 1158 of the Corporation Tax Act 2010.

# Notes to the Financial Statements continued

## 10 Cash and cash equivalents

|                 | As at<br>30 June 2024<br>\$000 | As at<br>30 June 2023<br>\$000 |
|-----------------|--------------------------------|--------------------------------|
| Cash            | 8,430                          | 6,090                          |
| U.S. Treasuries | - <sup>1</sup>                 | 3,465                          |
| <b>Total</b>    | <b>8,430</b>                   | <b>9,555</b>                   |

<sup>1</sup> U.S. Treasuries held for investment diversification purposes are not included as cash equivalents.

The Board and Investment Manager oversee investments held in cash and cash equivalents in accordance with the Investment Policy.

## 11 Called up share capital

|                                                                      | As at<br>30 June 2024<br>\$000 | As at<br>30 June 2023<br>\$000 |
|----------------------------------------------------------------------|--------------------------------|--------------------------------|
| <i>Allotted, called up and fully paid:</i>                           |                                |                                |
| 6,831,292 (2023: 6,850,792) Ordinary shares of \$ 0.01 each - equity | 68                             | 68                             |
| <i>Treasury shares:</i>                                              |                                |                                |
| 3,502,874 (2023: 3,483,374) Ordinary shares of \$ 0.01 each - equity | 35                             | 35                             |
| <b>Total shares</b>                                                  | <b>103</b>                     | <b>103</b>                     |

In September 2022, concurrent with the Fifth Anniversary Tender Offer, the Board of Directors of the Company were authorised to allot Ordinary Shares of the Company up to an aggregate nominal value of \$511,910.30, with such authority to expire on the fifth anniversary of the date of the passing of the resolution. In addition, at the November 2023 Annual General Meeting ("AGM"), the Board of Directors was authorised to allot relevant securities in the Company up to a maximum aggregate nominal amount of \$15,672 (being ten percent of the total number of voting rights of the Company at the latest practicable date prior to the publication of the Notice of AGM), with such authority to apply until the conclusion of this year's AGM. The resolutions for the 2024 AGM include authorisation for the Company to allot equity securities up to an aggregate nominal value of \$45,542, that can be utilised for acquisitions by the company. These transactions may result in the acquisition of other operating businesses to further expand and develop shareholder value in accordance with the investment programme.

## 12 Financial risk management

The Company's financial instruments comprise securities and other investments, cash balances, receivables, and payables that arise directly from its operations; for example, in respect of sales and purchases awaiting settlement, and receivables for accrued income. The Company also has the ability to enter into derivative transactions in the form of forward foreign currency contracts, futures, and options, for the purpose of managing currency and market risks arising from the Company's activities.

The main risks the Company faces from its financial instruments are (i) market price risk (comprising interest rate risk, currency risk, and other price risk), (ii) liquidity risk, and (iii) credit risk.

The Board regularly reviews, and agrees upon, policies for managing each of these risks. The Portfolio Manager's policies for managing these risks are summarised below and have been applied throughout the year. The numerical disclosures exclude short-term receivables and payables, other than for currency disclosures.

### (i) Market price risk

The fair value or future cash flows of a financial instrument held by the Company may fluctuate because of changes in market prices. This market risk comprises three elements - interest rate risk, currency risk, and other price risk.

#### *Interest rate risk*

Interest rate movements may affect the level of income receivable and payable on cash deposits.

The possible effects on fair value and cash flows that could arise as a result of changes in interest rates are taken into account when making investment decisions.

## 12 Financial risk management (continued)

*Interest risk profile*

The interest rate risk profile of the portfolio of financial assets and liabilities at the year-end date was as follows:

|                | As at 30 June 2024 |                    |                       |                            |
|----------------|--------------------|--------------------|-----------------------|----------------------------|
|                | Interest rate %    | Local currency 000 | Foreign exchange rate | US Dollar equivalent \$000 |
| <b>Assets:</b> |                    |                    |                       |                            |
| US dollar      | 1.60               | 8,415              | 1.00                  | 8,415                      |
| Euro currency  | 0.65               | (16)               | 0.93                  | (17)                       |
| GBP Sterling   | 0.54               | (56)               | 0.79                  | (70)                       |
| Swedish krona  | 0.00               | 134                | 10.59                 | 12                         |
| Swiss franc    | 0.13               | 1                  | 0.90                  | 1                          |
| <b>Total</b>   |                    |                    |                       | <b>8,341</b>               |

|                    | As at 30 June 2023 |                    |                       |                            |
|--------------------|--------------------|--------------------|-----------------------|----------------------------|
|                    | Interest rate %    | Local currency 000 | Foreign exchange rate | US Dollar equivalent \$000 |
| <b>Assets:</b>     |                    |                    |                       |                            |
| US dollar          | 1.52               | 9,469              | 1.00                  | 9,469                      |
| Australian dollar  | 0.42               | (53)               | 1.50                  | (35)                       |
| Canadian dollar    | 0.48               | 99                 | 1.32                  | 75                         |
| Danish krone       | 0.00               | (1)                | 6.82                  | *                          |
| Euro currency      | 0.60               | (5)                | 0.92                  | (6)                        |
| GBP Sterling       | 0.51               | (44)               | 0.79                  | (56)                       |
| Hong Kong dollar   | 0.00               | 1                  | 7.84                  | *                          |
| New Zealand dollar | 0.15               | 3                  | 1.63                  | 2                          |
| <b>Total</b>       |                    |                    |                       | <b>9,449</b>               |

\* Less than \$500.

*Interest rate sensitivity*

The sensitivity analysis below has been determined based on the exposure to interest rates for both derivative and non-derivative instruments at the year-end date and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period in the case of instruments that have floating rates.

If interest rates had been 10 (2023: 10) basis points higher or lower and all other variables were held constant, the Company's profit or loss for the reporting year to 30 June 2024 would increase/decrease by \$8,000 (2023: \$9,000). This is mainly attributable to the Company's exposure to interest rates on its floating rate cash balances.

*Currency risk*

The Company's investment portfolio is invested predominantly in foreign securities and the year end can be significantly affected by movements in foreign exchange rates. It is not the Company's policy to hedge this risk on a continuing basis but the Company may, from time to time, match specific overseas investments with foreign currency borrowings.

The revenue account is subject to currency fluctuation arising from overseas income.

# Notes to the Financial Statements continued

## 12 Financial risk management (continued)

Currency risk exposure by currency of denomination:

|                          | As at 30 June 2024          |                                 |                                     |
|--------------------------|-----------------------------|---------------------------------|-------------------------------------|
|                          | Net<br>Investments<br>\$000 | Net monetary<br>assets<br>\$000 | Total currency<br>exposure<br>\$000 |
| Australian dollar        | -                           | (3)                             | (3)                                 |
| Canadian dollar          | 794                         | (801)                           | (7)                                 |
| Euro currency            | -                           | (2)                             | (2)                                 |
| GBP Sterling             | 631                         | (1,778)                         | (1,147)                             |
| Hong Kong dollar         | 228                         | (231)                           | (3)                                 |
| Norwegian krone          | -                           | 2                               | 2                                   |
| Swedish krona            | -                           | (15)                            | (15)                                |
| Swiss franc              | -                           | 8                               | 8                                   |
| Total non US Investments | 1,653                       | (2,820)                         | (1,167)                             |
| US dollar                | 55,518                      | 14,262                          | 69,780                              |
| <b>Total</b>             | <b>57,171</b>               | <b>11,442</b>                   | <b>68,613</b>                       |

|                          | As at 30 June 2023          |                                 |                                     |
|--------------------------|-----------------------------|---------------------------------|-------------------------------------|
|                          | Net<br>Investments<br>\$000 | Net monetary<br>assets<br>\$000 | Total currency<br>exposure<br>\$000 |
| Australian dollar        | 226                         | 465                             | 691                                 |
| Canadian dollar          | 1,645                       | (1,664)                         | (19)                                |
| Danish krone             | -                           | (7)                             | (7)                                 |
| Euro currency            | -                           | (30)                            | (30)                                |
| GBP Sterling             | 371                         | 1,208                           | 1,579                               |
| Hong Kong dollar         | -                           | (1)                             | (1)                                 |
| Japanese yen             | -                           | (1)                             | (1)                                 |
| New Zealand dollar       | -                           | 2                               | 2                                   |
| Norwegian krone          | -                           | (10)                            | (10)                                |
| Polish zloty             | -                           | 1                               | 1                                   |
| Swedish krona            | -                           | (7)                             | (7)                                 |
| Swiss franc              | -                           | 6                               | 6                                   |
| Total non US Investments | 2,242                       | (38)                            | 2,204                               |
| US dollar                | 57,602                      | 10,217                          | 67,819                              |
| <b>Total</b>             | <b>59,844</b>               | <b>10,179</b>                   | <b>70,023</b>                       |

## 12 Financial risk management (continued)

## Currency sensitivity

The following table details the Company's sensitivity to a 10% increase and decrease in US dollars against the relevant foreign currencies and the resultant impact that any such increase or decrease would have on net return before tax and equity shareholders' funds. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year end for a 10% change in foreign currency rates.

|                   | As at<br>30 June 2024<br>\$000 | As at<br>30 June 2023<br>\$000 |
|-------------------|--------------------------------|--------------------------------|
| Australian dollar | -                              | 69                             |
| Canadian dollar   | (1)                            | (2)                            |
| Danish krone      | -                              | (1)                            |
| Euro currency     | -                              | (3)                            |
| GBP Sterling      | (115)                          | 158                            |
| Norwegian krone   | -                              | (1)                            |
| Swedish krona     | (2)                            | (1)                            |
| Swiss franc       | 1                              | 1                              |

The relevant US dollar exchange rates as at 30 June 2024 were: Canadian dollar (1: 1.3684); GBP Sterling (1: 0.7910); Swedish krona (1: 10.5902); Swiss franc (1: 0.8986).

## Other price risk

Other price risks, i.e., changes in market prices other than those arising from interest rate or currency risk, may affect the value of the quoted investments.

The Investment Manager actively monitors market prices throughout the year and reports to the Board, which meets regularly in order to review investment strategy. The investments held by the Company are listed on a recognised stock exchange.

## Other price risk sensitivity

If market prices at the year-end date had been 15% higher or lower while all other variables remained constant, the return attributable to ordinary shareholders for the year ended 30 June 2024 would have increased/decreased by \$8,571,000. The calculations are based on the portfolio valuations as at the year-end date, and are not representative of the year as a whole.

## (ii) Liquidity risk

This is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities. All creditors are payable within 3 months.

Liquidity risk is not considered to be significant as the Company's assets comprise mainly readily realisable securities, which can be sold to meet funding commitments if necessary.

## (iii) Credit risk

This is the risk of failure of the counterparty to a transaction to discharge its obligations under that transaction that could result in the Company suffering a loss.

The table below shows the counterparty risk as at the Balance Sheet date:

|                     | Derivative<br>exposure: CFDs<br>\$000 | Collateral posted<br>\$000 | Net exposure<br>\$000 |
|---------------------|---------------------------------------|----------------------------|-----------------------|
| Counterparty        |                                       |                            |                       |
| UBS Securities, LLC | 33                                    | (6,223)                    | (6,190)               |
| Total               | 33                                    | (6,223)                    | (6,190)               |

Net exposure represents the mark-to-market value of derivative contracts less any cash collateral held. Negative exposure represents the Fund's exposure to that counterparty. Positive amounts are not an exposure to the Fund.

# Notes to the Financial Statements continued

## 12 Financial risk management (continued)

The risk is managed as follows:

- Investment transactions are carried out mainly with brokers whose credit ratings are reviewed periodically by the Portfolio Manager.
- Most transactions are made delivery versus payment on recognised exchanges.
- Cash is held at State Street Bank and Trust which has a credit rating by Standard and Poor's on short-term deposits of A-1+ and long-term deposits AA-.

The maximum credit risk exposure as at 30 June 2024 was \$9,952,000 (2023: \$14,958,000). This was due to cash and receivables as per note (10) 'Cash & cash equivalents', note (15) 'Total other receivables' and Statement of Financial Position Receivable for investment sold.

### Capital management policies and procedures

The Company's capital management objectives are:

- to ensure that the Company will be able to continue as a going concern; and
- to maximise the revenue and capital return to its equity shareholders through an appropriate balance of equity capital and debt.

The Board monitors and reviews the broad structure of the Company's capital on an ongoing basis. The Board considers the Company's capital requirements in the context of both the Special Distributable and Revenue reserves being treated as distributable, as permitted by current accounting standards for listed investment companies. The distributable reserves can be used to fund dividends and share repurchase programmes. This review includes the nature and planned level of gearing, which takes account of the Portfolio Manager's views on the market and the extent to which revenue in excess of that which is required to be distributed under the investment trust rules should be retained.

The analysis of shareholders' funds is as follows:

|                                            | As at<br>30 June 2024<br>\$000 | As at<br>30 June 2023<br>\$000 |
|--------------------------------------------|--------------------------------|--------------------------------|
| Called-up share capital                    | 103                            | 103                            |
| Special distributable reserve <sup>1</sup> | 42,593                         | 45,995                         |
| Capital reserve                            | 26,454                         | 25,285                         |
| Revenue reserve <sup>1</sup>               | (537)                          | (1,360)                        |
| <b>Total shareholders' funds</b>           | <b>68,613</b>                  | <b>70,023</b>                  |

<sup>1</sup> The Revenue Reserve and Special Distributable Reserve are distributable. The amount of the Revenue Reserve and Special Distributable Reserve that is distributable is not necessarily the full amount of the reserves as disclosed within these financial statements. As at 30 June 2024, the net amount of reserves that are distributable are \$42,056,000 (2023: \$44,635,000).

### Alternative Investment Fund Managers' ('AIFM') Directive

In accordance with the Alternative Investment Fund Managers' Directive ("AIFMD"), the Company has appointed Gabelli Funds, LLC as its Alternative Investment Fund Manager (the "AIFM"), to provide portfolio management and risk management services to the Company in accordance with the investment management agreement.

### Leverage

Leverage is calculated using two methods: i) Gross method and ii) Commitment method. For further details please see the Glossary.

The Company's maximum leverage levels at 30 June 2024 are shown below:

| Leverage Exposure       | Gross<br>method | Commitment<br>method |
|-------------------------|-----------------|----------------------|
| Maximum permitted limit | 500%            | 250%                 |
| Actual                  | 119%            | 128%                 |

The leverage limits are set by the AIFM and approved by the Board and are in line with the maximum leverage levels permitted in the Company's Articles of Association. The AIFM is also required to comply with the gearing parameters set by the Board in relation to borrowings.

### 13 Derivatives risk

The Company's investment policy may involve the use of derivatives (including, without limitation, forward foreign exchange contracts, equity contracts for difference swap agreements ("CFDs"), securities sold short and/or structured financial instruments). The Company may use both exchange-traded and over-the-counter derivatives as part of its investment activity. The cost of investing utilising derivatives may be higher than investing in securities (whether directly or through nominees) as the Company will have to bear the additional costs of purchasing and holding such derivatives, which could have a material adverse effect on the Company's returns. The low initial margin deposits normally required to establish a position in such instruments permit a high degree of leverage. As a result, depending on the type of instrument, a relatively small movement in the price of a contract may result in a profit or a loss which is high in proportion to the amount of funds actually placed as initial margin and may result in unquantifiable further losses exceeding any margin deposited. In addition, daily limits on price fluctuations and speculative position limits on exchanges may prevent prompt liquidation of positions resulting in potentially greater losses.

The use of derivatives may expose the Company to a higher degree of risk. These risks may include credit risk with regard to counterparties with whom the Company trades, the risk of settlement default, lack of liquidity of the derivative, imperfect tracking between the change in value of the derivative and the change in value of the underlying asset that the Company is seeking to track and greater transaction costs than investing in the underlying assets directly. Additional risks associated with investing in derivatives may include a counterparty breaching its obligations to provide collateral, or, due to operational issues (such as time gaps between the calculation of risk exposure to a counterparty's provision of additional collateral or substitutions of collateral or the sale of collateral in the event of a default by a counterparty), there may be instances where credit exposure to its counterparty under a derivative contract is not fully collateralised. The use of derivatives may also expose the Company to legal risk, which is the risk of loss due to the unexpected application of a law or regulation, or because a court declares a contract not legally enforceable.

The use of CFDs is a highly specialised activity that involves investment techniques and risks different from those associated with ordinary portfolio security transactions. In a CFD, a set of future cash flows is exchanged between two counterparties. One of these cash flow streams will typically be based on a reference interest rate combined with the performance of a notional value of shares of a stock. The other will be based on the performance of the shares of a stock. Depending on the general state of short-term interest rates and the returns on the Company's portfolio securities at the time a CFD transaction reaches its scheduled termination date, there is a risk that the Company will not be able to obtain a replacement transaction or that terms of the replacement will not be as favourable as on the expiring transaction. At 30 June 2024 the Company held CFDs, as shown in the following table.

| Security name                        | Trade currency | Shares (000) | As at 30 June 2024<br>Unrealised gain/(loss) \$000 |
|--------------------------------------|----------------|--------------|----------------------------------------------------|
| Alpha Financial Markets Consulting   | GBP            | 15           | **                                                 |
| Altium Ltd                           | AUD            | 30           | 6                                                  |
| Aluflexpack AG                       | CHF            | 7            | 2                                                  |
| Anglo American plc                   | GBP            | 1            | 2                                                  |
| APM Human Services International Ltd | AUD            | 165          | 1                                                  |
| Ascential plc                        | GBP            | 31           | 4                                                  |
| Banco Bilbao Vizcaya Argentaria      | EUR            | (21)         | (5)                                                |
| Banco de Sabadell SA                 | EUR            | 104          | 3                                                  |
| Barratt Developments plc             | GBP            | (26)         | 9                                                  |
| Calliditas Therapeutics              | SEK            | 9            | 1                                                  |
| Capital One Financial Corp           | USD            | (1)          | (4)                                                |
| Chesapeake Energy Corp               | USD            | (1)          | 4                                                  |
| Chevron Corp                         | USD            | (29)         | (11)                                               |
| Civitanavi Systems SpA               | EUR            | 13           | **                                                 |
| Conocophillips                       | USD            | (4)          | (18)                                               |
| Covestro AG                          | EUR            | 2            | 6                                                  |
| Crescent Energy Inc                  | USD            | (12)         | **                                                 |
| Darktrace plc                        | USD            | 119          | (11)                                               |
| Ds Smith plc                         | USD            | 212          | 157                                                |

## Notes to the Financial Statements continued

## 13 Derivatives risk (continued)

| Security name                        | Trade currency | Shares (000) | As at 30 June 2024<br>Unrealised gain/(loss)<br>\$000 |
|--------------------------------------|----------------|--------------|-------------------------------------------------------|
| Egetis Therapeutics AB               | SEK            | 79           | (26)                                                  |
| Eqt Corp                             | USD            | (20)         | 48                                                    |
| First Advantage Corp                 | USD            | (8)          | 3                                                     |
| Genkyotex SA                         | EUR            | 7            | **                                                    |
| Global Interconnection Corp          | GBP            | 17           | (53)                                                  |
| Gram Car Carriers ASA                | NOK            | 5            | **                                                    |
| Grifols SA                           | USD            | (1)          | 2                                                     |
| International Paper Co               | USD            | (11)         | 16                                                    |
| Iqgeo Group plc                      | GBP            | 27           | **                                                    |
| John Bean Technologies Corp          | EUR            | (2)          | 6                                                     |
| Karnov Group AB                      | SEK            | 9            | (8)                                                   |
| Keywords Studios plc                 | GBP            | 8            | 13                                                    |
| Kindred Group plc                    | SEK            | 78           | 10                                                    |
| Lok'Nstore Group plc                 | GBP            | 35           | 2                                                     |
| Marel HF                             | EUR            | 93           | 4                                                     |
| Mattioli Woods plc                   | GBP            | 13           | (1)                                                   |
| Neoen SA                             | EUR            | 4            | 1                                                     |
| Network International Holdings plc   | GBP            | 293          | 2                                                     |
| Newmont Corp                         | USD            | 1            | 1                                                     |
| Noble Corp plc                       | USD            | (5)          | (8)                                                   |
| Nordic Paper Holding AB              | SEK            | 26           | (4)                                                   |
| Ox2 AB                               | SEK            | 29           | **                                                    |
| PGS ASA                              | NOK            | 168          | 10                                                    |
| Pinewood Technologies                | GBP            | 63           | (26)                                                  |
| Psc Insurance Group Ltd              | AUD            | 31           | **                                                    |
| Redrow plc                           | GBP            | 18           | (7)                                                   |
| Schlumberger Ltd                     | USD            | (11)         | (48)                                                  |
| Shinko Electric Industries           | JPY            | 15           | **                                                    |
| Smurfit Kappa Group plc              | USD            | (3)          | 4                                                     |
| Softwareone Holding AG               | CHF            | 3            | (2)                                                   |
| Spear Investment Group               | EUR            | 39           | **                                                    |
| Spirent Communications plc           | GBP            | 261          | (5)                                                   |
| Synopsys Inc                         | USD            | (1)          | (3)                                                   |
| TGS ASA                              | NOK            | (12)         | (8)                                                   |
| Trident Royalties plc                | GBP            | 162          | (1)                                                   |
| Virgin Money Uk plc                  | GBP            | 416          | (1)                                                   |
| Willscot Mobile Mini Holding         | USD            | (1)          | **                                                    |
| Total unrealised loss on derivatives |                |              | (33)                                                  |

\* Fewer than 500 shares.

\*\* Less than \$500.

#### 14 Performance fee

Subject to the satisfaction of the Performance Conditions, the Portfolio Manager shall be entitled under the Portfolio Management Agreement, in respect of each Performance Period, to receive 20% of the Total Return relating to such Performance Period, provided that such amount shall not exceed 3% of the Average NAV.

##### *Performance Conditions*

The Portfolio Manager's entitlement to a Performance fee in respect of any Performance Period shall be conditional on the Closing NAV per Share in respect of the Performance Period (adjusted for any changes to the NAV per Share through dividend payments, Share repurchases (howsoever effected) and Share issuances since Admission) being in excess of the Performance Hurdle and High Water Mark. The Performance Hurdle is equal to the Starting NAV per Share increased by two times the rate of return on 13 week Treasury Bills published by the US Department of the Treasury over the Performance Period, less the Starting NAV per Share; multiplied by the weighted average of the number of Shares in issue (excluding any Shares held in treasury) at the end of each day during the Performance Period. For the year ended 30 June 2024, no Performance fee was paid. As at 30 June 2024, no amount was outstanding to the Portfolio Manager in respect of the performance fee, reflecting the performance period matching the Company's financial year (2023: \$nil).

#### 15 Other Assets and Liabilities

The categories of other receivables and other payables include:

|                                    | As at 30 June<br>2024<br>\$000 | As at 30 June<br>2023<br>\$000 |
|------------------------------------|--------------------------------|--------------------------------|
| <b>Other receivables</b>           |                                |                                |
| FX currency purchased              | -                              | 3                              |
| All other receivables <sup>1</sup> | 131                            | 70                             |
| <b>Total other receivables</b>     | <b>131</b>                     | <b>73</b>                      |
| <b>Other payables</b>              |                                |                                |
| FX currency sold                   | 1                              | 6                              |
| Custodian fees                     | 22                             | 15                             |
| Accounting fees                    | 33                             | 26                             |
| Audit fees                         | 94                             | 86                             |
| All other payables                 | 253                            | 216                            |
| <b>Total other payables</b>        | <b>403</b>                     | <b>349</b>                     |

<sup>1</sup> As at 30 June 2024, All other receivables included prepaid expenses and dividend and swap income.

#### 16 Related party disclosure: Directors

Each of the Directors is entitled to receive a fee from the Company at such rate as may be determined in accordance with the Articles of Incorporation. The Directors' remuneration is \$30,000 per annum for each Director, other than:

- the Co-Chairmen, who will receive an additional \$1,000 per annum<sup>1</sup>;
- the Chairman of the Audit & Risk Committee, who will receive an additional \$5,000 per annum; and
- the Members of the Audit & Risk Committee, who will receive an additional \$1,000 per annum.

Each of the Directors is also entitled to be paid all reasonable expenses properly incurred by them in connection with the performance of their duties. These expenses will include those associated with attending general meetings, Board or committee meetings and legal fees. The Board may determine that additional remuneration may be paid, from time to time, to any one or more Directors in the event such Director or Directors are requested by the Board to perform extra or special services on behalf of the Company.

<sup>1</sup> Mr Gabelli has waived his fees since appointment as Chairman and in his current role as Co-Chairman.

# Notes to the Financial Statements continued

## 16 Related party disclosure: Directors (continued)

### Related parties disclosure: other

The Portfolio management fee for the period ended 30 June 2024 paid by the Company to the Portfolio Manager is presented in the Statement of Comprehensive Income. Details of the Portfolio Management fee paid during the period is disclosed in Note 6. Details of Performance fee paid during the year are disclosed in Note 14.

As at 30 June 2024, Associated Capital Group Inc., an affiliate of the AIFM and Portfolio Manager, held 6,324,756 Ordinary Shares in the Company. Associated Capital Group Inc. also subscribed for 6,179,100 Special Voting Loyalty Shares, as defined in the glossary on page 75, which increased its voting interest. For the years ended 30 June 2024 and 2023, the Company paid dividends of \$3,022,863 and \$745,951, respectively, to Associated Capital Group, Inc. commensurate with its ownership interest.

Investors should note that as a close company with Associated Capital Group Inc. controlling greater than 90% of shares, Associated Capital Group Inc. may be able to ensure the approval of shareholder resolutions.

Further details of related parties and transactions, including with the Company's AIFM Gabelli Funds, LLC, are disclosed in the Directors' Report.

### Connected party transactions

All connected party transactions are carried out at arm's length. There were no such transactions during the year ended 30 June 2024.

## 17 Contingent Liabilities and Commitments

As at 30 June 2024, the Company had no contingent liabilities or commitments (30 June 2023: nil).

## 18 Historical Share and NAV information

|                           | 30 June 2024 | 30 June 2023 | 30 June 2022 |
|---------------------------|--------------|--------------|--------------|
| Total Shares <sup>1</sup> | 6,831,292    | 6,850,792    | 10,238,206   |
| Total NAV (\$000)         | 68,613       | 70,023       | 95,774       |
| NAV per share             | \$10.04      | \$10.22      | \$9.35       |

<sup>1</sup> Data excludes 3,502,874 shares held in treasury as of 30 June 2024.

## 19 Post balance sheet events

On 29 October 2024, the Company acquired its affiliated UK investment manager, Gabelli Securities International UK Limited ("GSIL UK"), a limited company organised and existing under the laws of England and Wales. The transaction will be financed through the issuance of 96,493 new ordinary shares to Associated Capital Group, Inc. at a premium to the Company's Net Asset Value. The Company's shareholders will benefit from the increase to the Company's cash and investments of approximately \$1 million as it absorbs GSIL UK's balance sheet. The acquisition positions the Company to increase sources of income, allowing for both self-management and the broadening of services to affiliated and third parties. The consideration shares rank pari passu with the Company's existing ordinary shares. Following the issue of the consideration shares the Company will have 6,927,785 ordinary shares in issue with each ordinary share carrying the right to one vote and 3,502,874 ordinary shares held in treasury.

The acquisition is in line with the Company's Investment Policy to pursue a variety of strategies and instruments, including, but not limited to controlling operating businesses to grow value.

## 20 Portfolio/schedule of investments

A statement of changes in the composition of the Portfolio during the financial period is available to shareholders free of charge from the Administrator on request.

| Quantity                               | Security Name                  | Cost             | Market Value     | % Total Investments |
|----------------------------------------|--------------------------------|------------------|------------------|---------------------|
| <b>COMMON STOCK</b>                    |                                |                  |                  |                     |
| <b>Communication Services</b>          |                                |                  |                  |                     |
| <b>Media &amp; Entertainment</b>       |                                |                  |                  |                     |
| 38,605                                 | Aimia Inc                      | 144,787          | 76,175           | 0.1%                |
| 15,555                                 | Atlanta Braves Holdings Inc    | 467,995          | 613,489          | 1.1%                |
| 75,400                                 | Endeavor Group Holding         | 1,979,902        | 2,038,062        | 3.6%                |
| 27,003                                 | GCI Liberty Inc                | -                | -                | 0.0%                |
| 206,823                                | Imax China Holding Inc         | 209,780          | 227,819          | 0.4%                |
| 10,078                                 | Liberty Media Corp             | 239,386          | 223,228          | 0.4%                |
| 19,888                                 | Liberty Media Corp             | 600,319          | 440,718          | 0.8%                |
| 7,491                                  | Liberty Media Corp             | 249,482          | 286,681          | 0.5%                |
| 329,631                                | NII Holdings Inc               | 626,707          | 115,371          | 0.2%                |
| 13,800                                 | Wideopenwest Inc               | 65,632           | 74,658           | 0.1%                |
|                                        |                                | 4,583,991        | 4,096,200        | 7.2%                |
| <b>Telecommunication Services</b>      |                                |                  |                  |                     |
| 57,050                                 | Consolidated Communications    | 246,233          | 251,020          | 0.4%                |
| 13,747                                 | Telesat Corp                   | 393,391          | 125,098          | 0.2%                |
|                                        |                                | 639,624          | 376,118          | 0.6%                |
| <b>Total Communication Services</b>    |                                | <b>5,223,615</b> | <b>4,472,318</b> | <b>7.8%</b>         |
| <b>Consumer Discretionary</b>          |                                |                  |                  |                     |
| <b>Consumer Durables &amp; Apparel</b> |                                |                  |                  |                     |
| 42,500                                 | Capri Holdings Ltd             | 2,241,067        | 1,405,900        | 2.5%                |
| 1,237                                  | CH Auto Inc                    | 5,047            | 2,227            | 0.0%                |
| 68,900                                 | Vizio Holding Corp A           | 747,620          | 744,120          | 1.3%                |
|                                        |                                | 2,993,734        | 2,152,247        | 3.8%                |
| <b>Consumer Services</b>               |                                |                  |                  |                     |
| 15,550                                 | Park Lawn Corp                 | 294,986          | 295,579          | 0.5%                |
| 35,850                                 | Playags Inc                    | 410,870          | 412,275          | 0.7%                |
| 3,600                                  | Target Hospitality Corp        | 42,240           | 31,356           | 0.1%                |
|                                        |                                | 748,097          | 739,210          | 1.3%                |
| <b>Retailing</b>                       |                                |                  |                  |                     |
| 13,700                                 | Hibbett Inc                    | 1,187,165        | 1,194,777        | 2.1%                |
| 17,203                                 | Sportsman's Warehouse Holdings | 172,705          | 41,459           | 0.1%                |
| 24,050                                 | The Aaron's Company Inc        | 239,801          | 240,019          | 0.4%                |
|                                        |                                | 1,599,670        | 1,476,255        | 2.6%                |
| <b>Total Consumer Discretionary</b>    |                                | <b>5,341,501</b> | <b>4,367,712</b> | <b>7.7%</b>         |

## Notes to the Financial Statements continued

## 20 Portfolio/schedule of investments (continued)

| Quantity                              | Security Name                 | Cost             | Market Value     | % Total Investments |
|---------------------------------------|-------------------------------|------------------|------------------|---------------------|
| <b>Consumer Staples</b>               |                               |                  |                  |                     |
| <b>Food &amp; Staples Retailing</b>   |                               |                  |                  |                     |
| 91,080                                | Albertsons Cos Inc            | 1,868,895        | 1,798,830        | 3.2%                |
|                                       |                               | 1,868,895        | 1,798,830        | 3.2%                |
| <b>Total Consumer Staples</b>         |                               | <b>7,763,007</b> | <b>7,772,317</b> | <b>13.6%</b>        |
| <b>Energy</b>                         |                               |                  |                  |                     |
| <b>Energy</b>                         |                               |                  |                  |                     |
| 15,622                                | Championx Corp                | 605,615          | 518,807          | 0.9%                |
| 21,706                                | Diamond Offshore Drilling Inc | 333,485          | 336,226          | 0.6%                |
| 75,346                                | Equitrans Midstream Corp      | 985,549          | 977,991          | 1.7%                |
| 28,230                                | Hess Corp                     | 4,059,472        | 4,164,490        | 7.3%                |
| 16,423                                | Marathon Oil Corp             | 469,601          | 470,847          | 0.8%                |
| 35,400                                | Overseas Shipholding          | 298,072          | 300,192          | 0.5%                |
| 11,346                                | Silverbow Resources Inc       | 423,478          | 429,219          | 0.8%                |
| 16,500                                | Southwestern Energy Corp      | 125,141          | 111,045          | 0.2%                |
| 30,000                                | US Silica Holdings Inc        | 463,472          | 463,500          | 0.7%                |
| <b>Total Energy</b>                   |                               | <b>7,763,887</b> | <b>7,772,317</b> | <b>13.6%</b>        |
| <b>Financials</b>                     |                               |                  |                  |                     |
| <b>Asset Management</b>               |                               |                  |                  |                     |
| 14,700                                | Canaccord Genuity Group Inc   | 113,083          | 90,885           | 0.2%                |
|                                       |                               | 113,083          | 90,885           | 0.2%                |
| <b>Banks</b>                          |                               |                  |                  |                     |
| 450                                   | Macatawa Bank Corp            | 6,384            | 6,570            | 0.0%                |
|                                       |                               | 6,384            | 6,570            | 0.0%                |
| <b>Diversified Financial Services</b> |                               |                  |                  |                     |
| 6,150                                 | Assetmark Financial Holdings  | 208,981          | 212,483          | 0.4%                |
| 771                                   | Discover Financial Services   | 93,413           | 100,855          | 0.2%                |
|                                       |                               | 302,393          | 313,337          | 0.6%                |
| <b>Financials</b>                     |                               |                  |                  |                     |
| 7,650                                 | Nuvei Corp Subordinate Vtg    | 242,232          | 247,707          | 0.4%                |
|                                       |                               | 242,232          | 247,707          | 0.4%                |
| <b>Insurance</b>                      |                               |                  |                  |                     |
| 4,550                                 | Icc Holdings Inc              | 100,602          | 102,967          | 0.2%                |
| 2,150                                 | National Western Life Group   | 1,054,307        | 1,068,421        | 1.9%                |
|                                       |                               | 1,154,910        | 1,171,388        | 2.1%                |
| <b>Investment Companies</b>           |                               |                  |                  |                     |
| 487,644                               | Hipgnosis Songs Fund Ltd      | 608,282          | 631,225          | 1.1%                |
|                                       |                               | 608,282          | 631,225          | 1.1%                |
| <b>Total Financials</b>               |                               | <b>2,127,285</b> | <b>2,461,111</b> | <b>4.3%</b>         |

## 20 Portfolio/schedule of investments (continued)

| Quantity                                                  | Security Name                 | Cost      | Market Value | % Total Investments |
|-----------------------------------------------------------|-------------------------------|-----------|--------------|---------------------|
| <b>Health Care</b>                                        |                               |           |              |                     |
| <b>Health Care Equipment &amp; Supplies</b>               |                               |           |              |                     |
| 21,650                                                    | Amedisys Inc                  | 1,999,618 | 1,987,470    | 3.5%                |
| 300                                                       | Atrion Corporation            | 135,489   | 135,729      | 0.2%                |
| 22,150                                                    | Axonics Inc                   | 1,524,333 | 1,489,145    | 2.6%                |
| 13,800                                                    | R1 Rcm Inc                    | 189,574   | 173,328      | 0.3%                |
| 16,600                                                    | Silk Road Medical Inc         | 445,553   | 448,864      | 0.8%                |
| 7,850                                                     | Surmodics Inc                 | 330,668   | 330,014      | 0.6%                |
|                                                           |                               | 4,625,234 | 4,564,550    | 8.0%                |
| <b>Pharmaceuticals, Biotechnology &amp; Life Sciences</b> |                               |           |              |                     |
| 7,650                                                     | Abiomed Inc                   | 7,803     | 13,388       | 0.0%                |
| 132,674                                                   | Adamas Pharmace               | -         | 6,634        | 0.0%                |
| 90,210                                                    | Akouos Inc                    | 71,266    | 67,658       | 0.1%                |
| 6,750                                                     | Alimera Sciences Inc          | 37,383    | 37,530       | 0.1%                |
| 28,904                                                    | Catalent Inc                  | 1,661,278 | 1,625,272    | 2.8%                |
| 16,855                                                    | Cerevel Therapeutics Holding  | 703,247   | 689,201      | 1.2%                |
| 16,275                                                    | Clementia Pharmaceuticals Inc | 420,388   | -            | 0.0%                |
| 155,990                                                   | Cyteir Therapeutic            | -         | -            | 0.0%                |
| 100,314                                                   | Flexion Therape               | -         | 30,094       | 0.1%                |
| 2,116                                                     | Grifols S.A.                  | 42,470    | 13,341       | 0.0%                |
| 21,400                                                    | Olink Holding AB Adr          | 528,494   | 545,272      | 1.0%                |
| 5,300                                                     | Opiant Pharmace               | 3,445     | 2,650        | 0.0%                |
|                                                           |                               | 3,475,773 | 3,031,039    | 5.3%                |
| <b>Total Health Care</b>                                  |                               |           |              |                     |
|                                                           |                               | 8,101,007 | 7,595,589    | 13.3%               |
| <b>Industrials</b>                                        |                               |           |              |                     |
| <b>Capital Goods</b>                                      |                               |           |              |                     |
| 3,716                                                     | Mcgrath Rentcorp              | 439,933   | 395,940      | 0.7%                |
| 650                                                       | Encore Wire Corp              | 184,048   | 188,390      | 0.3%                |
|                                                           |                               | 623,982   | 584,329      | 1.0%                |
| <b>Commercial &amp; Professional Services</b>             |                               |           |              |                     |
| 30,665                                                    | Sterling Check Corp           | 474,148   | 453,842      | 0.8%                |
| 19,456                                                    | Stericycle Inc                | 1,145,554 | 1,130,977    | 2.0%                |
|                                                           |                               | 1,619,702 | 1,584,819    | 2.8%                |
| <b>Transportation</b>                                     |                               |           |              |                     |
| 6,000                                                     | Hawaiian Holdings Inc         | 79,399    | 74,580       | 0.1%                |
|                                                           |                               | 79,399    | 74,580       | 0.1%                |
| <b>Total Industrials</b>                                  |                               |           |              |                     |
|                                                           |                               | 2,323,082 | 2,243,720    | 3.9%                |

# Notes to the Financial Statements continued

## 20 Portfolio/schedule of investments (continued)

| Quantity                                   | Security Name                    | Cost              | Market Value      | % Total Investments |
|--------------------------------------------|----------------------------------|-------------------|-------------------|---------------------|
| <b>Information Technology</b>              |                                  |                   |                   |                     |
| <b>Software &amp; Services</b>             |                                  |                   |                   |                     |
| 290,483                                    | Altaba Inc                       | 4,099,538         | 733,470           | 1.3%                |
| 1,950                                      | Ansys Inc                        | 656,145           | 626,925           | 1.1%                |
| 47,079                                     | Everbridge Inc                   | 1,550,627         | 1,647,294         | 2.9%                |
| 35,350                                     | Copperleaf Technologies          | 305,294           | 306,133           | 0.5%                |
| 80,550                                     | Hashicorp Inc                    | 2,676,382         | 2,713,730         | 4.8%                |
| 48,250                                     | Matterport Inc                   | 210,431           | 215,678           | 0.4%                |
| 10,000                                     | Perficient Inc                   | 735,697           | 747,900           | 1.3%                |
| 27,800                                     | Powerschool Holdings Inc         | 620,465           | 622,442           | 1.1%                |
| 28,350                                     | Squarespace Inc                  | 1,230,446         | 1,236,911         | 2.2%                |
| 18,250                                     | Walkme Ltd                       | 251,740           | 254,953           | 0.5%                |
|                                            |                                  | 12,336,765        | 9,105,434         | 16.0%               |
| <b>Technology Hardware &amp; Equipment</b> |                                  |                   |                   |                     |
| 16,350                                     | HollySys Automation Technologies | 414,621           | 353,814           | 0.6%                |
| 23,650                                     | Infinera Corp                    | 146,666           | 126,291           | 0.2%                |
| 44,150                                     | Juniper Networks Inc             | 1,632,627         | 1,609,709         | 2.8%                |
|                                            |                                  | 2,193,914         | 2,089,814         | 3.7%                |
| <b>Total Information Technology</b>        |                                  | <b>14,530,680</b> | <b>11,195,248</b> | <b>19.6%</b>        |
| <b>Materials</b>                           |                                  |                   |                   |                     |
| <b>Containers &amp; Packaging</b>          |                                  |                   |                   |                     |
| 22,531                                     | Resolute Forest                  | 31,994            | 45,062            | 0.1%                |
| 3,627                                      | WestRock Corp                    | 86,521            | 182,293           | 0.3%                |
|                                            |                                  | 118,515           | 227,355           | 0.4%                |
| <b>Materials</b>                           |                                  |                   |                   |                     |
| 6,383                                      | Arcadium Lithium Plc             | 67,224            | 21,447            | 0.0%                |
| 18,150                                     | Haynes International Inc         | 1,082,373         | 1,065,405         | 1.9%                |
|                                            |                                  | 1,149,597         | 1,086,852         | 1.9%                |
| <b>Metals &amp; Mining</b>                 |                                  |                   |                   |                     |
| 3,500                                      | Artemis Gold Inc.                | 149,617           | 25,118            | 0.0%                |
| 44,400                                     | United States Steel Corp         | 1,964,286         | 1,678,320         | 2.9%                |
|                                            |                                  | 2,113,903         | 1,703,438         | 3.0%                |
| <b>Total Materials</b>                     |                                  | <b>3,382,015</b>  | <b>3,017,645</b>  | <b>5.3%</b>         |

## 20 Portfolio/schedule of investments (continued)

| Quantity                         | Security Name                        | Cost             | Market Value     | % Total Investments |
|----------------------------------|--------------------------------------|------------------|------------------|---------------------|
| <b>Utilities</b>                 |                                      |                  |                  |                     |
| Utilities                        |                                      |                  |                  |                     |
| 42,870                           | PNM Resources Inc                    | 2,073,862        | 1,584,475        | 2.8%                |
| 14,850                           | Allete Inc                           | 932,633          | 925,897          | 1.5%                |
| 12,750                           | Atlantica Sustainable Infrastructure | 279,624          | 279,862          | 0.5%                |
| 4,750                            | Avangrid Inc                         | 170,601          | 168,768          | 0.3%                |
| <b>Total Utilities</b>           |                                      | <b>3,456,720</b> | <b>2,959,003</b> | <b>5.1%</b>         |
| <b>RIGHTS</b>                    |                                      |                  |                  |                     |
| <b>Financials</b>                |                                      |                  |                  |                     |
| Asset Management                 |                                      |                  |                  |                     |
| 22,199                           | Breeze Holdings Acquisition Corp     | 5,528            | 3,885            | 0.0%                |
| 7,441                            | Clover Leaf Capital Corp             | 2,945            | 1,338            | 0.0%                |
| 15,950                           | Northview Acquisition Corp           | 3,942            | 1,632            | 0.0%                |
| 12,711                           | Viveon Health Acquisition Corp       | 2,312            | 766              | 0.0%                |
| <b>Total Financials</b>          |                                      | <b>11,727</b>    | <b>7,621</b>     | <b>0.0%</b>         |
| <b>Materials</b>                 |                                      |                  |                  |                     |
| Materials                        |                                      |                  |                  |                     |
| 190,215                          | Pan American Silver Corp CVR         | 28,643           | 87,993           | 0.2%                |
| <b>Total Materials</b>           |                                      | <b>28,643</b>    | <b>87,993</b>    | <b>0.2%</b>         |
| <b>WARRANTS</b>                  |                                      |                  |                  |                     |
| <b>Financials</b>                |                                      |                  |                  |                     |
| Asset Management                 |                                      |                  |                  |                     |
| 566                              | Blueriver Acquisition Corp           | 25               | 9                | 0.0%                |
| 4,394                            | Kalera PLC                           | 1,984            | 0                | 0.0%                |
| 7,975                            | Northview Acquisition Corp           | 2,362            | 419              | 0.0%                |
| 3,186                            | OCA Acquisition Corp                 | 108              | 366              | 0.0%                |
| 16,460                           | Tastemaker Acquisition Corp          | 11,264           | 309              | 0.0%                |
| 9,230                            | Viveon Health Acquisition Corp       | 2,933            | 55               | 0.0%                |
| <b>Total Financials</b>          |                                      | <b>18,676</b>    | <b>1,158</b>     | <b>0.0%</b>         |
| <b>Health Care</b>               |                                      |                  |                  |                     |
| Health Care Equipment & Supplies |                                      |                  |                  |                     |
| 25,000                           | Anew Medical Inc                     | 775              | 2,525            | 0.0%                |
| <b>Total Health Care</b>         |                                      | <b>18,676</b>    | <b>1,158</b>     | <b>0.0%</b>         |

## Notes to the Financial Statements continued

## 20 Portfolio/schedule of investments (continued)

| Quantity                                 | Security Name                  | Cost             | Market Value     | % Total Investments |
|------------------------------------------|--------------------------------|------------------|------------------|---------------------|
| <b>Information Technology</b>            |                                |                  |                  |                     |
| <b>Software &amp; Services</b>           |                                |                  |                  |                     |
| 48,961                                   | Presto Automation Inc          | 23,304           | 1,249            | 0.0%                |
| 6,169                                    | Prosomnus Inc                  | 1,688            | 53               | 0.0%                |
| 13,933                                   | Cxapp Inc                      | 8,968            | 2,600            | 0.0%                |
| 1,429                                    | Spectral AI Inc                | 50               | 246              | 0.0%                |
| 2,139                                    | Banzai International Inc       | 150              | 49               | 0.0%                |
| 284                                      | Prospector Leddartech          | 1                | 8                | 0.0%                |
| <b>Total Information Technology</b>      |                                | <b>34,161</b>    | <b>4,204</b>     | <b>0.0%</b>         |
| <b>FIXED INCOME</b>                      |                                |                  |                  |                     |
| <b>U.S. Government Obligations</b>       |                                |                  |                  |                     |
| <b>U.S. Treasury Bills</b>               |                                |                  |                  |                     |
| 750,000                                  | U.S. Treasury Bill, 08/08/2024 | 745,846          | 745,862          | 1.3%                |
| 3,000,000                                | U.S. Treasury Bill, 08/21/2024 | 2,986,452        | 2,986,502        | 5.2%                |
| 2,500,000                                | U.S. Treasury Bill, 09/12/2024 | 2,473,616        | 2,473,520        | 4.3%                |
| 3,000,000                                | U.S. Treasury Bill, 08/20/2024 | 2,978,167        | 2,978,160        | 5.2%                |
| <b>Total U.S. Government Obligations</b> |                                | <b>9,184,081</b> | <b>9,184,044</b> | <b>16.1%</b>        |

| Quantity                                              | Security Name                      | Unrealized App/(Dep) | Market Value | % Total Investments |
|-------------------------------------------------------|------------------------------------|----------------------|--------------|---------------------|
| <b>Equity Contract for Difference Swap Agreements</b> |                                    |                      |              |                     |
| <b>Long Positions</b>                                 |                                    |                      |              |                     |
| 15,000                                                | Alpha Financial Markets Consulting | (284)                | 93,859       |                     |
| 29,612                                                | Altium Ltd                         | 5,537                | 1,345,387    |                     |
| 6,700                                                 | Aluflexpack Ag New                 | 1,864                | 114,450      |                     |
| 1,100                                                 | Anglo American Plc                 | 1,571                | 34,791       |                     |
| 164,720                                               | Apm Human Services International   | 1,100                | 152,361      |                     |
| 30,677                                                | Ascential Plc                      | 3,878                | 132,623      |                     |
| 103,817                                               | Banco De Sabadell S.A              | 2,407                | 200,334      |                     |
| 9,000                                                 | Calliditas Therapeutics-B          | 680                  | 174,728      |                     |
| 13,447                                                | Civitanavi Systems Spa             | 288                  | 88,200       |                     |
| 1,545                                                 | Covestro Ag                        | 6,141                | 90,741       |                     |
| 119,497                                               | Darktrace Plc                      | (10,745)             | 870,989      |                     |
| 17,378                                                | Disruptive Cap Swap                | 156,918              | 43,935       |                     |
| 212,165                                               | Ds Smith Plc                       | (26,109)             | 1,129,112    |                     |
| 78,551                                                | Egetis Therapeutics AB             | 0                    | 34,639       |                     |
| 6,738                                                 | Genkyotex Genkyotex                | (52,722)             | 0            |                     |
| 5,334                                                 | Gram Car Carriers Asa              | 250                  | 130,000      |                     |
| 27,250                                                | Iqgeo Group Plc                    | 0                    | 160,866      |                     |
| 8,712                                                 | Karnov Group                       | (7,760)              | 58,243       |                     |
| 7,561                                                 | Keywords Studios Plc               | 12,855               | 220,978      |                     |

## 20 Portfolio/schedule of investments (continued)

| Quantity                                       | Security Name                 | Unrealized<br>App/(Dep) | Market Value | % Total<br>Investments |
|------------------------------------------------|-------------------------------|-------------------------|--------------|------------------------|
| 77,867                                         | Kindred Group Plc             | 9,559                   | 926,445      |                        |
| 34,856                                         | Lok'Nstore Group Plc          | 2,203                   | 484,676      |                        |
| 92,543                                         | Marel Hf                      | 3,824                   | 327,304      |                        |
| 13,450                                         | Mattioli Woods Plc            | (510)                   | 133,977      |                        |
| 4,473                                          | Neoen S.A.                    | 1,039                   | 180,540      |                        |
| 292,791                                        | Network International Holding | 2,221                   | 1,447,157    |                        |
| 1,036                                          | Newmont Corp                  | 1,088                   | 43,377       |                        |
| 26,314                                         | Nordic Paper Holding Ab       | (4,040)                 | 115,379      |                        |
| 29,100                                         | Ox2                           | 275                     | 163,358      |                        |
| 167,713                                        | Pgs Asa                       | 10,081                  | 140,817      |                        |
| 62,763                                         | Pinewood Technologies         | (25,785)                | 282,446      |                        |
| 31,100                                         | Psc Insurance Group Ltd       | 208                     | 125,659      |                        |
| 17,806                                         | Redrow Plc                    | (6,753)                 | 150,132      |                        |
| 14,952                                         | Shinko Electric Industries    | 186                     | 524,240      |                        |
| 3,376                                          | Softwareone Holding AG        | (1,954)                 | 63,493       |                        |
| 38,582                                         | Spear Invst Wt Swap           | 0                       | 9,097        |                        |
| 261,025                                        | Spirent Communications Plc    | (4,714)                 | 603,830      |                        |
| 161,600                                        | Trident Royalties Plc         | (613)                   | 97,441       |                        |
| 415,743                                        | Virgin Money Uk Plc           | (1,361)                 | 1,122,555    |                        |
|                                                |                               | 80,823                  | 12,018,160   |                        |
| Equity Contract for Difference Swap Agreements |                               |                         |              |                        |

# Notes to the Financial Statements continued

## 20 Portfolio/schedule of investments (continued)

| Quantity                                           | Security Name                | Unrealized<br>App/(Dep) | Market Value       | % Total<br>Investments |
|----------------------------------------------------|------------------------------|-------------------------|--------------------|------------------------|
| <b>Short Positions</b>                             |                              |                         |                    |                        |
| (20,826)                                           | Banco Bilbao Vizcaya Argenta | (5,145)                 | (208,739)          |                        |
| (25,641)                                           | Barratt Developments Plc     | 9,076                   | (153,053)          |                        |
| (786)                                              | Capital One Financial Corp   | (3,734)                 | (108,822)          |                        |
| (1,430)                                            | Chesapeake Energy Corp       | 4,219                   | (117,532)          |                        |
| (28,961)                                           | Chevron Corp                 | (111,500)               | (4,530,080)        |                        |
| (3,615)                                            | Conocophillips               | (18,039)                | (413,484)          |                        |
| (11,965)                                           | Crescent Energy Inc-A        | 461                     | (141,785)          |                        |
| (20,495)                                           | Eqt Corp                     | 48,368                  | (757,905)          |                        |
| (7,669)                                            | First Advantage Corp         | 2,605                   | (123,241)          |                        |
| (1,282)                                            | Grifols S.A.                 | 1,971                   | (10,800)           |                        |
| (10,947)                                           | International Paper Co       | 15,916                  | (394,693)          |                        |
| (2,437)                                            | John Bean Technologies Corp  | 6,119                   | (231,442)          |                        |
| (5,027)                                            | Noble Corp Plc               | (8,194)                 | (224,456)          |                        |
| (11,489)                                           | Schlumberger Ltd             | (48,024)                | (542,051)          |                        |
| (3,486)                                            | Smurfit Kappa Group Plc      | 3,487                   | (155,423)          |                        |
| (691)                                              | Synopsys Inc                 | (3,351)                 | (411,186)          |                        |
| (11,506)                                           | Tgs Asa                      | (8,429)                 | (138,537)          |                        |
| (1,064)                                            | Willscot Mobile Mini Holding | 223                     | (40,049)           |                        |
|                                                    |                              | <b>(113,972)</b>        | <b>(8,703,276)</b> |                        |
| <b>Total Equity CFD Swap Agreements</b>            |                              |                         |                    |                        |
|                                                    |                              | (33,149)                | 3,314,884          | 5.8%                   |
| <b>Total Investments Including U.S. Treasuries</b> |                              |                         |                    |                        |
|                                                    |                              | <b>63,698,973</b>       | <b>57,168,520</b>  | <b>100.0%</b>          |

# Regulatory Disclosures

## Information to be disclosed in accordance with Listing Rule 9.8.4

The disclosures below are made in compliance with the requirements of Listing Rule 9.8.4.

9.8.4 (1) The Company has not capitalised any interest in the year under review.

9.8.4 (2) The Company has not published any unaudited financial information in a class 1 circular or prospectus or any profit forecast or profit estimate.

9.8.4 (4) The Company does not have any long-term incentive schemes in operation.

9.8.4 (5) and (6) The Chairman Mr Gabelli has waived or agreed to waive any current or future emoluments from the Company.

9.8.4 (7) During the year to 30 June 2023, the Company has not issued shares.

9.8.4 (8) and 9.8.4 (9) are not applicable.

9.8.4 (10) As President of the Portfolio Manager's parent company, GGCP, and an employee of the Portfolio Manager, Mr Gabelli is/ was deemed to be interested in the Company's portfolio management agreement. There were no other contracts of significance subsisting during the year under review to which the Company is a party and in which a Director of the Company is or was materially interested; or between the Company and a controlling shareholder.

9.8.4 (11) This provision is not applicable to the Company.

9.8.4 (12) and (13) There were no arrangements under which a shareholder has waived or agreed to waive any dividends or future dividends.

9.8.4 (14) This provision is not applicable to the Company.

# Glossary

## Alternative Investment Fund Managers Directive ("AIFMD")

Agreed by the European Parliament and the Council of the European Union and adopted into UK legislation, the AIFMD classifies certain investment vehicles, including investment companies, as Alternative Investment Funds ("AIFs") and requires them to appoint an Alternative Investment Fund Manager ("AIFM") and Depositary to manage and oversee the operations of the investment vehicle.

The Board of the Company retains responsibility for strategy, operations and compliance and the Directors retain a fiduciary duty to shareholders.

## Alternative Performance Measures

Net Asset Value total return, which is calculated based on the net asset value per share at 30 June 2024, compared to the Net Asset Value per share as at 30 June 2023, adjusted for dividends paid, and assumes that dividends are reinvested.

Share price total return, which is calculated based on the share price as at 30 June 2024, compared to the share price as at 30 June 2023, adjusted for dividends paid, and assumes that all dividends are reinvested.

Discount to net asset value, which is calculated by dividing the difference between the share price and net asset value per share, by the net asset value per share.

## Association of Investment Companies ("AIC")

The Company is a member of the AIC which is the trade body for investment companies and represents the industry in relation to various matters which impact the regulation of such entities.

## Capital Return per Share

The capital return per share is the capital profit for the year (see Statement of Comprehensive Income) divided by the weighted average number of ordinary shares in issue during the year.

## Close Company

Subject to certain exceptions, a close company is broadly a company which is under the control of five or fewer participators or any number of participators if those participators are directors, or more than half the assets of which would be distributed to five or fewer participators, or to participators who are directors, in the event of the winding up of the company.

## Connected Party

A connected party to the Company includes the Administrator, the Depositary, the AIFM, the Portfolio Managers of the relevant sub-funds of the Company, the Board and the respective holding companies (if any), subsidiaries and affiliates of each (each a "Connected Party").

## Contract for Difference ("CFD")

A financial instrument in which a set of future cash flows is exchanged between two counterparties. One of these cash flow streams will typically be based on a reference interest rate combined with the performance of a notional value of shares of a stock. The other will be based on the performance of the shares of a stock. CFDs are open-ended with no fixed termination date, in contrast to swaps, which utilise fixed termination dates.

## Cum-income NAV

Cum-income net asset value includes all income, less the value of any dividends paid together with the value of any dividends which have been declared and marked ex-dividend but not yet paid. When the cum-income NAV is lower than the ex-income NAV, this reflects the revenue deficit.

## Custodian

The Custodian is responsible for ensuring the safe custody of the Company's assets and that all transactions in the underlying holdings are transacted in an accurate and timely manner.

## Depositary

From July 2014 all AIFs were required to appoint a Depositary who has responsibility for overseeing the operations of the Company including safekeeping, cash monitoring and verification of ownership and valuation of the underlying holdings and is responsible for the appointment of a custodian. The Depositary is strictly liable for the loss of any investments or other assets in its custody unless it has notified that it has discharged its liability in certain markets.

The Depositary has confirmed that it has not discharged liability in relation to any of the Company's assets.

## Dividend Dates

When declared or recommended, each dividend will have three key dates applied to it. The payment date is the date on which shareholders will receive their dividend, either by BACS transfer or by receipt of a dividend cheque. The record date applied to the dividend is used as a cut-off for the Company's registrars to know which shareholders should be paid a dividend. Only shareholders on the register of members at the close of business on the record date will receive the dividend. The ex-dividend date is the business day before the record date and is the date upon which the Company's net asset value will be disclosed ex-dividend.

**Dividend Yield**

The annual dividend expressed as a percentage of the share price.

**Ex-Income NAV**

Ex-income net asset value is the cum-income NAV excluding income (net income being all current year income, less the value of any dividends paid together with the value of any dividends which have been declared and marked ex-dividend but not yet paid).

**Fifth Anniversary Tender Offer**

The tender offer to purchase certain of the Company's Ordinary Shares from Shareholders whose names were entered into the Loyalty Register on Admission and who continuously remained on the Loyalty Register from Admission to the launch of the Fifth Anniversary Tender Offer.

**Additional Fifth Anniversary Tender Offer**

The tender offer to purchase certain of the Company's Ordinary Shares from Shareholders whose names were entered into the Loyalty Register at the time of the November 2017 Tap Admission and who continuously remained on the Loyalty Register from the November 2017 Tap Admission to the launch of the Additional Fifth Anniversary Tender Offer.

**Gearing (including Actual and Nominal Gearing)**

The net gearing percentage reflects the amount of borrowings (i.e. bank loans or overdrafts) the Company has used to invest in the market less cash and investments in cash funds, divided by net assets. Nominal gearing is the total notional amount of assets plus total notional amount of liabilities, divided by equity. Actual gearing is calculated under two methodologies: the gross method, which includes the market value of positions and the gross exposure of derivatives, and excludes cash and cash equivalents; and the commitment method, which includes the value of cash and cash equivalents. Nominal CFD gearing is the gross nominal value of CFD positions, as a percentage of shareholders' equity.

**High Water Mark**

The closing Net Asset Value (NAV) per share in respect of the last performance period in respect of which a performance fee was payable to the Portfolio Manager (adjusted for any changes to the NAV per share through dividend payments, share repurchases, and share issuances from admission to the end of such performance period).

**Leverage**

Leverage is the ratio between a fund's Total Exposure and its Net Asset Value, expressed as a percentage. For the purposes of the AIFM Directive, leverage can be calculated using two methods: (i) the gross method; and (ii) the commitment method. Under the gross method, Total Exposure is the algebraic sum of all investment positions (long and short), excluding cash and cash equivalents and converting derivative instruments into the equivalent position in the underlying asset. Under the commitment method, Total Exposure is the algebraic sum of all investment positions (long and short), plus cash and cash equivalents, minus hedging arrangements and offsetting instruments between eligible assets.

**Liquidity**

In the context of the liquidity of shares in the stock market, this refers to the availability of buyers in the market for the share in question. Where the market in a particular share is described as liquid, that share will be in demand and holders wishing to sell their shares should find ready buyers. Conversely, where the market in a share is illiquid the difficulty of finding a buyer will tend to depress the price that might be negotiated for a sale.

**Loyalty Programme**

The Company has implemented a loyalty programme to incentivise long-term share ownership. The loyalty programme is open to all shareholders, who are entered in the Loyalty Register, a separate register maintained by the registrar to allow a shareholder to increase its voting power after holding shares for a continuous period of at least five years. Each shareholder so registered will be entitled to subscribe for one special voting loyalty share in respect of each ordinary share held. These shares can also be used as a form of consideration when entering into one or more agreements to acquire operating businesses in accordance with the Investment Policy, and subject to approval by shareholders at the AGM, the articles will be updated to reflect this dynamic.

**Loyalty Register**

The register of Qualifying Registered Shareholders maintained by the Registrars in accordance with the Company's loyalty programme.

**Net Asset Value ("NAV") per ordinary share**

The value of the Company's assets (i.e. investments, cash held and debtors) less any liabilities (i.e. bank borrowings, debt securities and creditors) for which the Company is responsible, divided by the number of shares in issue. The aggregate NAV is also referred to as total shareholders' funds on the Statement of Financial Position. The NAV is published daily.

| (in thousands, except per share data) | 30 June 2024 |        |           |
|---------------------------------------|--------------|--------|-----------|
|                                       | \$           | Shares | Per share |
| Ex-income NAV                         | \$69,150     | 6,831  | \$10.12   |
| Revenue reserve                       | (537)        | 6,831  | (0.08)    |
| Net asset value per ordinary share    | \$68,613     | 6,831  | \$10.04   |

# Glossary continued

**Net Asset Value per ordinary share, total return** represents the theoretical return on the cum-income NAV per ordinary share, assuming that dividends paid to shareholders were reinvested at the cum-income NAV per ordinary share at the close of business on the day shares were quoted ex-dividend.

|                                                  | 2024  | 2023   |
|--------------------------------------------------|-------|--------|
| NAV at start of year                             | 10.22 | 9.35   |
| NAV at end of year                               | 10.04 | 10.22  |
| Effect of dividends <sup>1</sup>                 | 0.50  | 0.12   |
| NAV at end of year including effect of dividends | 10.54 | 10.35  |
| NAV total return                                 | 3.14% | 10.54% |

<sup>1</sup> Assumed reinvested at the time of shares going ex-dividend.

**Ongoing Charges** are operating expenses incurred in the running of the Company, whether charged to revenue or capital, but excluding financing costs. These are expressed as a percentage of the average net asset value during the year and this is calculated in accordance with guidance issued by the Association of Investment Companies.

|                                                |     | 2024<br>\$000 | 2023<br>\$000 |
|------------------------------------------------|-----|---------------|---------------|
| Regular recurring expenses ("Ongoing Charges") | a   | 1,341         | 1,645         |
| Average Shareholders' funds                    | b   | 66,827        | 75,684        |
| Ongoing Charge Calculation                     | a/b | 2.01%         | 2.17%         |

## Performance Fee

A detailed explanation of the calculation methodology for the Performance Fee payable to the Investment Manager can be found in Note 14.

## Performance Hurdle

In relation to each performance period, the hurdle is represented by "A" multiplied by "B", where: "A" is equal to the starting NAV per share increased by two times the rate of return on 13 week Treasury Bills published by the US Department of the Treasury over the performance period, less the starting NAV per share; and "B" is the weighted average of the number of shares in issue (excluding any shares held in treasury) at the end of each day during the performance period. The Remuneration Committee has determined that this is the most appropriate means of benchmarking the Manager's performance.

## Premium/(Discount)

The amount by which the market price per share of an investment trust is either higher premium or lower (discount) than the NAV per share, expressed as a percentage of the NAV per share.

## Prospectus

The prospectus published by the Company on 15 June 2017 in connection with the placing of up to 20,000,000 Ordinary Shares at \$10 per Ordinary Share.

## Related Party

Related party disclosures are required under International Financial Reporting Standards (IAS 24). A common definition of a related party is if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions and defined as:

- (i) Two or more parties are related parties when at any time during the financial period:
- (ii) one party has direct or indirect control of the other party; or the parties are subject to common control from the same source; or
- (iii) one party has influence over the financial and operating policies of the other party to an extent that that other party might be inhibited from pursuing at all times its own separate interests; or
- (iv) the parties, in entering a transaction, are subject to influence from the same source to such an extent that one of the parties to the transaction has subordinated its own separate interests.

## Revenue Return per ordinary share

The revenue return per ordinary share is the revenue return profit for the year divided by the weighted average number of ordinary shares in issue during the year.

Share Price Total Return represents the theoretical return to a shareholder, on a closing market price basis, assuming that all dividends received were reinvested, without transaction costs, into the ordinary shares of the Company at the close of business on the day the shares were quoted ex-dividend.

|                                                          | 2024  | 2023  |
|----------------------------------------------------------|-------|-------|
| Share price at start of year                             | 9.00  | 9.00  |
| Share price at end of year                               | 9.00  | 9.00  |
| Effect of dividends*                                     | 0.49  | 0.12  |
| Share price at end of year including effect of dividends | 9.49  | 9.12  |
| Share price total return                                 | 5.39% | 1.33% |

\* Assumed reinvested at the time of the shares going ex-dividend.

#### Shareholder

Owner of the Company's Ordinary Shares.

#### Special Voting Loyalty Shares

Redeemable non-participating voting shares of a nominal value of \$0.01 each in the capital of the Company (if any) having the rights and privileges and being subject to the restrictions contained in the Articles. Each Registered Holder of an ordinary share who remains registered in the Loyalty Register in respect such Ordinary Share for a continuous uninterrupted period of at least five years (the "Qualifying Period") and is not an ineligible shareholder and/or is not disqualified shall be entitled to subscribe for one Special Voting Loyalty Share in respect of such ordinary share.

- (1) As to voting: The holders of Special Voting Loyalty Shares shall have the right to receive notice of, to attend, and to vote at all general meetings of the Company.
- (2) As to dividends and distributions: The Special Voting Loyalty Shares are not entitled to participate in any dividend or distribution made or declared by the Company, except for a fixed annual dividend equal to 0.00001 per cent. of their nominal value.
- (3) On a winding up or other return of capital: On a winding up of the Company, the holder of a Special Voting Loyalty Share shall be entitled to be repaid the capital paid up thereon pari passu with the repayment of the nominal amount of the ordinary shares.

#### Total Return Performance

This is the return on the share price or NAV taking into account both the rise and fall of share prices and the dividends paid to shareholders. Any dividends received by a shareholder are assumed to have been reinvested in either additional shares (for share price total return) or the Company's assets (for NAV total return).

# Company Information

## Registered Name

Gabelli Merger Plus\* Trust Plc

## Registered Office

3 St. James's Place,  
London SW1A 1NP

## Board of Directors

Marc Gabelli  
Marco Bianconi  
John Birch  
John Newlands  
Yuji Sugimoto  
James Wedderburn

## Portfolio Manager and Alternative Investment Fund Manager

Gabelli Funds, LLC  
One Corporate Center  
Rye, NY 10580-1422  
United States

## Company Secretary

Bridgehouse Company Secretaries Limited  
Suite 2:06,  
Bridge House,  
181 Queen Victoria Street,  
London, EC4V 4EG

## Independent Auditors

PricewaterhouseCoopers LLP  
7 More London Riverside  
London SE1 2RT

## Administrator and Custodian

State Street Bank and Trust Company  
20 Churchill Place  
Canary Wharf  
London E14 5HJ

## Depository

State Street Trustees Ltd  
20 Churchill Place  
Canary Wharf  
London E14 5HJ

## Registrar and Receiving Agent

Computershare Investment Services PLC  
The Pavilions  
Bridgwater Road  
Bristol BS99 6ZZ

## Legal & Financial Advisers to the Company

Dickson Minto W.S.  
16 Charlotte Square  
Edinburgh  
EH2 4DF

Skadden, Arps, Slate, Meagher & Flom (UK) LLP  
22 Bishopsgate  
London  
EC2N 4BQ

The Company is a member of **The Association of Investment Companies** ("AIC"), which publishes a number of useful fact sheets and email updates for investors interested in investment companies.

The AIC  
9th Floor  
24 Chiswell Street  
London  
EC1Y 4YY  
0207 282 5555  
[www.theaic.co.uk](http://www.theaic.co.uk)

## Information to Shareholders

Contact Information and Website

Please visit us on the Internet. Our homepage at [www.gabelli.co.uk](http://www.gabelli.co.uk) includes useful information about the Company, such as daily prices, factsheets, announcements, and current and historic half year and annual reports.

We welcome your comments and questions at +44 (0) 20 3206 2100 or via e-mail at [info@gabelli.co.uk](mailto:info@gabelli.co.uk).

## General Information

SEDOL/ISIN: BD8P074/GB00BD8P0741  
London Stock Exchange (TIDM) Code: GMP  
Legal Entity Identifier (LEI): 5493006X09N8HKOV1U37

The Company's registrar is Computershare Investor Services PLC. Computershare's website address is [investorcentre.co.uk](http://investorcentre.co.uk) and certain details relating to your holding can be checked through this website. Alternatively, Computershare can be contacted on 0370 707 1390.

Change of name or address must be notified through the website or sent to The Pavilions, Bridgwater Road, Bristol BS99 6ZZ.

The Company is a member of **The Association of Investment Companies** ("AIC"), which publishes a number of useful fact sheets and email updates for investors interested in investment companies [www.theaic.co.uk](http://www.theaic.co.uk).

# Annual General Meeting

## Notice of Annual General Meeting

Notice is hereby given that the seventh Annual General Meeting (the "AGM") of the Company will be held at GAMCO (UK), 3 St. James's Place London SW1A 1NP United Kingdom on Thursday 5 December 2024 at 13:00 (GMT) to consider and, if thought fit, pass the following resolutions, of which resolutions numbered 1 to 14 (inclusive) will be proposed as Ordinary Resolutions, and resolutions numbered 15 to 18 (inclusive) will be proposed as Special Resolutions.

The Directors currently anticipate that this year's Annual General Meeting will be open to shareholders, but reserve the right to change arrangements for the meeting at short notice. Therefore shareholders are strongly encouraged to vote by proxy and to appoint the Co-Chairmen as their proxy.

### Ordinary Business

1. To receive the Company's audited financial statements, the Strategic Report and the reports of the Directors of the Company (the "Directors") for the year ended 30 June 2024 (the "Annual Report") together with the report of the auditors.
2. To approve the Directors' Remuneration Report for the year ended 30 June 2024.
3. To approve the directors' remuneration policy, as set out in the Directors' Remuneration Report, which takes effect immediately after the end of the annual general meeting.
4. To approve the Company's dividend policy to pay dividends out of the current period revenue reserve, ex the impact of any deferred tax charges. The dividends declared in respect of the financial year ended 30 June 2023 totaled \$0.48 per share.
5. To re-elect Marc Gabelli as a Director.
6. To re-elect Marco Bianconi as a Director.
7. To re-elect John Birch as a Director.
8. To re-elect John Newlands as a Director.
9. To re-elect Yuji Sugimoto as a Director.
10. To re-elect James Wedderburn as a Director.
11. To re-appoint PricewaterhouseCoopers LLP as auditors of the Company to hold office until the conclusion of the next AGM of the Company.
12. To authorise the Audit & Risk Committee to determine the remuneration of the auditors.

### Special Business

#### Ordinary Resolution

13. THAT in addition to all existing authorities:

- a. the Directors of the Company be and are hereby generally and unconditionally authorised in accordance with section 551 of the Companies Act 2006 (the "Act") to exercise all the powers of the Company to allot ordinary shares in the capital of the Company (the "Ordinary Shares") up to an aggregate nominal value of \$45,542, such authority to expire at the conclusion of next year's AGM (unless the

authority is previously revoked, varied or extended by the Company in general meeting) but so that this authority shall allow the Company to make, before the expiry of this authority, offers or agreements which would or might require equity securities to be allotted after such expiry and the Directors of the Company may allot equity securities pursuant to any such offer or agreement as if the authority had not expired; and

- b. the Directors of the Company be and are hereby generally and unconditionally authorised in accordance with section 551 of the Act to exercise all the powers of the Company to allot Ordinary Shares up to an aggregate nominal value of \$511,910.30, such authority to expire on the fifth anniversary of the date of the passing of this resolution (unless the authority is previously revoked, varied or extended by the Company in general meeting) but so that this authority shall allow the Company to make, before the expiry of this authority, offers or agreements which would or might require equity securities to be allotted after such expiry and the Directors of the Company may allot equity securities pursuant to any such offer or agreement as if the authority had not expired.
- c. the Directors of the Company be and are hereby generally and unconditionally authorised in accordance with section 551 of the Act to exercise all the powers of the Company to allot Special Voting Loyalty Shares up to an aggregate nominal value of \$511,910.30, such authority to expire on the fifth anniversary of the date of the passing of this resolution (unless the authority is previously revoked, varied or extended by the Company in general meeting).

14. THAT the Directors of the Company be and are hereby authorised to exercise all powers of the Company, as granted by all existing authorities (including by resolution 13 above), to allot new Ordinary Shares and Special Voting Loyalty shares for purposes of making acquisitions.

### Special Resolutions

15. THAT, in addition to all existing authorities, the Directors of the Company be and are hereby empowered in accordance with section 570 of the Act, to allot equity securities (as defined in section 560 of the Act) for cash under the authority given by resolution 13(a) and, in accordance with section 573 of the Act, to sell any Ordinary Shares held by the Company as treasury shares ("treasury shares") for cash, in each case, as if section 561 of the Act did not apply to any such allotment or sale, such power in respect of the authority given by resolution 13(a) to be limited:

- a. to the allotment of equity securities and sale of treasury shares in connection with an offer of, or invitation to apply for, equity securities:
  - i. to holders of Ordinary Shares in the capital of the Company in proportion (as nearly as may be practicable) to their existing holdings; and
  - ii. to holders of other equity securities in the capital of the Company, as required by the rights of those securities or, subject to such rights, as the Directors otherwise considers necessary, and so that the Directors may impose any limits or restrictions and make any arrangements which it considers necessary

# Annual General Meeting continued

## Notice of Annual General Meeting

or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in or under the laws of any territory or the requirements of any regulatory body or stock exchange; and

- b. otherwise than pursuant to resolution 15(a) above, to the allotment of equity securities and sale of treasury shares up to an aggregate nominal amount of \$26,021 (being 20% of the total number of voting rights of the Company at the latest practicable date prior to the publication of this Notice);
- c. such that no allotment of securities shall be made which would result in Ordinary Shares being issued or sold from treasury at a price which is less than the higher of the Company's cum or ex income net asset value per Ordinary Share at the latest practicable date before such allotment of equity securities as determined by the Directors in their reasonable discretion; and
- d. such power, unless renewed, to apply until the expiry of the powers in resolution 13(a) but, in each case, during this period the Company may make offers, and enter into agreements, which would, or might, require equity securities to be allotted (and treasury shares to be sold) after the power ends and the Directors may allot equity securities (and sell treasury shares) under any such offer or agreement as if the power had not ended.

16. THAT, in addition to all existing authorities, the Directors of the Company be and are hereby empowered, pursuant to sections 570 and 573 of the Act, to allot or make offers or agreements to allot equity securities (as defined in section 560 of the Act) for cash pursuant to the authority referred to in resolution 13(b) above as if section 561 of the Act did not apply to any allotment which is the subject of, and provided that this power shall expire upon the expiry of, the authority conferred by resolution 13(b) above (unless the authority is previously revoked, varied or extended by the Company in general meeting), but so that this authority shall allow the Company to make, before the expiry of this authority, offers or agreements which would or might require equity securities to be allotted after such expiry and the Directors of the Company may allot equity securities pursuant to any such offer or agreement as if the authority had not expired.

17. THAT, in addition to all existing authorities, the Company be authorised for the purposes of section 701 of the Act to make one or more market purchases (as defined in section 693(4) of the Act) of its Ordinary Shares, provided that:

- a. the maximum number of Ordinary Shares hereby authorised to be purchased is 1,301,039 (being 10% of the total number of voting rights of the Company at the latest practicable date prior to the publication of this Notice);
- b. the minimum price (exclusive of expenses) which may be paid for an Ordinary Share is the nominal amount of that share; and

c. the maximum price (exclusive of expenses) which may be paid for an Ordinary Share is the higher of:

- i. an amount equal to 5% above the average of the middle market quotations for an Ordinary Share as derived from the Daily Official List of the London Stock Exchange plc for the five business days immediately preceding the day on which that Ordinary Share is contracted to be purchased; and
- ii. an amount equal to the higher of the price of the last independent trade and the highest current independent bid on the trading venues where the purchase is carried out at the relevant time, such authority, unless renewed or extended, to apply until the conclusion of next year's AGM but during this period the Company may enter into a contract to purchase Ordinary Shares, which would, or might, be completed or executed wholly or partly after the authority ends and the Company may purchase Ordinary Shares pursuant to any such contract as if the authority had not ended.

18. THAT a general meeting of the Company other than an Annual General Meeting may be called on not less than 14 clear days' notice.

By order of the Board

  
John Birch

Co-Chairman  
29 October 2024

Marc Gabelli  
Co-Chairman

Registered Office:  
3 St. James's Place  
London  
England  
SW1A 1NP



# Notes to the Notice of the AGM

The Annual General Meeting is currently anticipated to be open to members this year. All members are entitled to vote at the meeting by providing a form of proxy. Members are strongly advised to appoint the Chairman of the meeting as their proxy.

## Proxy appointment

- 1 A member is entitled to appoint another person as his proxy to exercise all or any of his rights to attend and to speak and vote at the AGM, or any adjournment thereof. A proxy need not be a shareholder of the Company. A shareholder may appoint more than one proxy in relation to the AGM provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder.
- 2 A form of proxy is enclosed. The appointment of a proxy will not prevent a member from subsequently attending and voting at the meeting in person.
- 3 To appoint a proxy, the form of proxy and any power of attorney or other authority (if any) under which it is executed (or a duly certified copy of any such power or authority), must be either (a) sent to the Company's Registrar, Computershare Investor Services PLC, at The Pavilions, Bridgwater Road, Bristol, BS99 6ZY, or (b) the proxy appointment must be lodged using the CREST Proxy Voting Service in accordance with Note 8 below, in either case so as to be received no later than 1.00pm (GMT) on 3 December 2024 (or, if the meeting is adjourned, no later than 48 hours (excluding any part of a day that is not a working day) before the time of any adjourned meeting).

## Joint shareholders

- 4 In the case of joint holders of a share the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names appear in the register of members in respect of the share.

## Nominated persons

- 5 The right to appoint a proxy does not apply to persons whose shares are held on their behalf by another person and who have been nominated to receive communications from the Company in accordance with section 146 of the Act ("Nominated Persons"). Nominated Persons may have a right under an agreement with the member who holds the shares on their behalf to be appointed (or to have someone else appointed) as a proxy. Alternatively, if Nominated Persons do not have such a right or do not wish to exercise it, they may have a right under such an agreement to give instructions to the person holding the shares as to the exercise of voting rights.

## Information about shares and voting

- 6 Holders of Ordinary Shares are entitled to attend and vote at general meetings of the Company. The total number of issued Ordinary Shares in the Company on 1 October 2024, which is the latest practicable date before the publication of this Notice is 6,831,292 Shares (excluding shares held in treasury).

## Right to attend and vote

- 7 Entitlement to attend and vote at the meeting, and the number of votes which may be cast at the meeting, will be determined by reference to the Company's register of members as at the close of business on 2 December 2024, or,

if the meeting is adjourned, no later than 48 hours (excluding any part of a day that is not a working day) before the time fixed for the adjourned meeting (as the case may be). In each case, changes to the register of members after such time will be disregarded.

## CREST members

- 8 CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the meeting (and any adjournment of the meeting) by following the procedures described in the CREST Manual available on the website of Euroclear UK and Ireland Limited ("Euroclear") at [www.euroclear.com](http://www.euroclear.com). CREST Personal Members or other CREST sponsored members (and those CREST members who have appointed a voting service provider) should refer to their CREST sponsor or voting service provider, who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message (regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy) must, in order to be valid, be transmitted so as to be received by Computershare Investor Services PLC Participant ID 3RA50 by the latest time(s) for receipt of proxy appointments specified in Note 3 above. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to a proxy appointed through CREST should be communicated to him by other means.

CREST members (and, where applicable, their CREST sponsors or voting service providers) should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of the CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider, to procure that his CREST sponsor or voting service provider takes) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members (and, where applicable, their CREST sponsors or voting service providers) are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5) (a) of the Uncertificated Securities Regulations 2001.

## Corporate representatives

- 9 Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.

# Notes to the Notice of the AGM continued

## Audit concerns

- 10 Shareholders should note that, under section 527 of the Act, members meeting the threshold requirements set out in that section have the right to require the Company to publish on a website a statement setting out any matter relating to: (i) the audit of the Company's accounts (including the auditors report and the conduct of the audit) that are to be laid before the AGM for the financial year ended 30 June 2024; or (ii) any circumstance connected with auditors of the Company appointed for the financial year ended 30 June 2024 ceasing to hold office since the previous meeting at which annual accounts and reports were laid. The Company may not require the shareholders requesting any such website publication to pay its expenses in complying with sections 527 or 528 (requirements as to website availability) of the Act. Where the Company is required to place a statement on a website under section 527 of the Act, it must forward the statement to the Company's auditors not later than the time when it makes the statement available on the website. The business which may be dealt with at the AGM for the relevant financial year includes any statement that the Company has been required under section 527 of the Act to publish on a website.

## Questions

- 11 Any member attending the AGM has the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the meeting but no such answer need be given if (a) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information, (b) the answer has already been given on a website in the form of an answer to a question, or (c) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.

## Members' right to request a resolution to be proposed at the Meeting

- 12 Under sections 338 and 338A of the Companies Act 2006, members meeting the threshold requirements in those sections have the right to require the Company:
- to give, to members of the Company entitled to receive notice of the meeting, notice of a resolution which may properly be moved and is intended to be moved at the meeting; and/or
  - to include in the business to be dealt with at the meeting any matter (other than a proposed resolution) which may be properly included in the business.

A resolution may properly be moved or a matter may properly be included in the business unless:

- (in the case of a resolution only) it would, if passed, be ineffective (whether by reason of inconsistency with any enactment or the Company's constitution or otherwise);
- it is defamatory of any person; or
- it is frivolous or vexatious.

Such a request may be in hard copy form or in electronic form, and must identify the resolution of which notice is to be given or the matter to be included in the business, must be authorised

by the person or persons making it, must be received by the Company not later than four weeks before the AGM, and (in the case of a matter to be included in the business only) must be accompanied by a statement setting out the grounds for the request.

## Website information

- 13 A copy of this notice and other information required by section 311A of the Act can be found at [www.gabelli.co.uk/investment-products/gabelli-merger-plus/](http://www.gabelli.co.uk/investment-products/gabelli-merger-plus/).

## Use of electronic address

- 14 Members may not use any electronic address provided in either this notice of meeting or any related documents (including the enclosed form of proxy) to communicate with the Company for any purposes other than those expressly stated.

## Documents available for inspection

- 15 Copies of the letters of appointment of the non-executive Directors may be inspected during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) at the registered office of the Company at 3 St. James's Place, London SW1A 1NP, United Kingdom, up to and including the date of the AGM, and, if possible, on the date itself at the AGM venue 15 minutes before the meeting until it ends.

## Communication

- 16 Except as provided above, shareholders who have general queries about the AGM should use the following means of communication (no other methods of communication will be accepted):

- by calling the Registrar's helpline on: +44 (0)370 707 1390, or
- by writing to the Registrar, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZZ, or
- by email to the Registrar [web.queries@computershare.co.uk](mailto:web.queries@computershare.co.uk)

## Gabelli Merger Plus+ Loyalty Programme

The Company has a Loyalty Programme in place for its long-term shareholders. Please see page 19 for benefits and eligibility requirements.

## Contact the Company

[www.gabelli.com/mergerplus](http://www.gabelli.com/mergerplus)  
[gmpassist@gabelli.com](mailto:gmpassist@gabelli.com)  
 +44 20 3206 2100  
 +1 914 921 5135  
 +39 02 3057 8299

# Appendix

## AIFMD Remuneration Disclosures

### Gabelli Funds, LLC

In accordance with the AIFMD and FCA Rules, Gabelli Funds, LLC's remuneration policy and remuneration disclosures in respect of the year ended 30 June 2024 are available from Gabelli Funds, LLC on request.

