

# The Gabelli Global Financial Services Fund

**Semiannual Report — March 31, 2024**



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## **To Our Shareholders,**

For the six months ended March 31, 2024, the net asset value (NAV) total return per Class AAA Share of The Gabelli Global Financial Services Fund was 24.0% compared with a total return of 25.4% for the Morgan Stanley Capital International (MSCI) World Financials Index. Other classes of shares are available. See page 4 for performance information for all classes.

Enclosed are the financial statements, including the schedule of investments, as of March 31, 2024.

## **Performance Discussion (Unaudited)**

The goal of the Fund is to generate long term capital appreciation, and under normal market conditions, the Fund will invest at least 80% of the value of its net assets in the securities of companies principally engaged in the group of industries comprising the financial services sector. The Fund considers a company to be engaged in financial services if it devotes a significant portion of its assets to or derives a significant portion of its revenues from providing financial services. The Adviser's investment philosophy with respect to buying and selling equity securities is to identify assets that are selling in the public market at a discount to their private market value ("PMV"). The Adviser defines PMV as the value informed purchasers are willing to pay to acquire assets with similar characteristics.

As permitted by regulations adopted by the Securities and Exchange Commission, paper copies of the Fund's annual and semiannual shareholder reports will no longer be sent by mail, unless you specifically request paper copies of the reports. Instead, the reports will be made available on the Fund's website ([www.gabelli.com](http://www.gabelli.com)), and you will be notified by mail each time a report is posted and provided with a website link to access the report. If you already elected to receive shareholder reports electronically, you will not be affected by this change and you need not take any action. To elect to receive all future reports on paper free of charge, please contact your financial intermediary, or, if you invest directly with the Fund, you may call 800-422-3554 or send an email request to [info@gabelli.com](mailto:info@gabelli.com).

The largest contributor to performance for the first half of the fiscal year was the common stock of Capital One Financial Group (4.0% of net assets as of March 31, 2024; up 55%). Capital One reported solid fourth quarter earnings highlighted by 5% revenue growth and a robust capital position with a 12.9% Tier One Common Equity ("CET 1") ratio partially offset by a higher provision for loan loss reserves. The company also announced the acquisition Discover Financial Services, a transaction that is projected to be more than 15% accretive to 2027 earnings and generate an internal rate of return of more than 20%.

The second largest contributor was the common stock of Citigroup (2.5%; +57%). Despite lower earnings in 2023, the company made significant progress in its transformation. Citi completed the sale of its ninth international consumer banking business and announced a significant corporate restructuring that will result in a headcount decline of about 8% and should enable it to generate an 11-12% Return on Tangible Common Equity ("ROTCE") in the medium term. The company also maintained a strong capital position with a CET 1 ratio of 13.4% that is 110 basis points above its regulatory minimum and a high quality loan portfolio with a Non-performing Loan (NPL) ratio of only 0.46% and a loan loss reserve of \$18 billion that equates to 2.6% of loans and 568% of NPLs. Additionally, the common stock of the Bank of New York Mellon (3.5%; +37%) benefited from strong financial results in 2023, including 10% growth in Adjusted Earnings per Share ("EPS") and the repurchase of about 6% of its outstanding shares.

The largest negative contributor was the common stock of Standard Chartered (2.5%; -6%), a UK based bank focused on emerging markets, including Asia. The stock price decline appeared to be driven by concerns about commercial real estate and overall economic weakness in Hong Kong and China. Still, Standard Chartered reported strong financial results in 2023 with underlying EPS growth of 31% and a 10% ROTCE. The company also repurchased 8% of its outstanding shares at a significant discount to Tangible Book Value ("TBV") and maintained a robust capital position with a 14.1% CET1 ratio.

The next largest detractor was the common stock of Diamond Hill Investment Group (2.6%; -7%), whose common stock appeared to decline due to a 29% decline in Adjusted EPS in 2023 and modest net outflows. Nevertheless, the company retained a robust capital position with \$159 million of cash and investments (36% of its market cap) and no debt, and it repurchased about 6% of its outstanding shares. Finally, the common stock of HG Holdings (1.1%; -7%), declined owing primarily to the impact of higher interest rates on its title insurance and real estate businesses. Nevertheless, the company remains strongly financed with a debt free balance sheet, and the common stock trades at a 33% discount to TBV.

The Fund's aggregate valuation metrics remain attractive at about 80% of book value, 90% of TBV and 9 times 2024 projected EPS. I have been impressed with the resilience of most global banks during the last few years. There have been numerous macroeconomic challenges, including the Covid-19 global pandemic, the war in Ukraine, rampant inflation in most counties and regional bank failures in the US. Nevertheless, most global banks have remained profitable, increased their TBV and maintained strong capital positions and loan loss reserves. Many banks have also repurchased shares at very attractive prices (below TBV). Most impressively, First Citizens BancShares, the Fund's largest position, took advantage of the turmoil to acquire CIT Group and most of the assets of Silicon Valley Bank. These two transformative acquisitions drove a 349% increase in TBV from 2019-2023.

## Global Banks – Resilient Business Performance Despite Pandemic, War, Inflation, and Bank Runs

Company	2020-2023						
	CET 1 ratio <sup>(1)</sup>		ACL <sup>(2)</sup> / Loans		Net	TBV <sup>(4)</sup>	% Chg. In
	12/31/2019	12/31/2023	12/31/2019	12/31/2023	Income <sup>(3)</sup>	Growth	O/S Shares
<b>Barclays</b>	13.8%	13.8%	1.8%	1.6%	17,031	33%	-13%
<b>BBVA</b>	11.7%	12.7%	3.1%	2.9%	19,318	53%	-13%
<b>Capital One Financial</b>	12.2%	12.9%	2.7%	4.8%	25,966	27%	-17%
<b>Citigroup</b>	11.8%	13.4%	1.8%	2.6%	57,072	34%	-10%
<b>Dah Sing Bank</b>	13.4%	16.2%	0.7%	0.8%	6,620	28%	0%
<b>First Citizens BancShares</b>	10.9%	13.4%	0.8%	1.3%	13,462	349%	37%
<b>ING Group</b>	13.7%	14.7%	0.7%	0.9%	18,222	27%	-14%
<b>NatWest Group</b>	16.2%	13.4%	1.1%	0.9%	9,931	28%	-27%
<b>Standard Chartered</b>	13.8%	14.1%	2.1%	1.8%	7,798	21%	-17%

<sup>(1)</sup> Tier 1 Common Equity Ratio (common equity capital/risk weighted assets).

<sup>(2)</sup> Allowance for Credit Losses.

<sup>(3)</sup> In millions of USD except for Barclays (GBP), NatWest (GBP), ING (Euro), and Dah Sing (\$HK).

<sup>(4)</sup> Tangible Book Value (adjusted for dividends).

Sources: Company reports, GAMCO Investors.

Thank you for your continued interest and trust.

The views expressed reflect the opinions of the Fund's portfolio manager and Gabelli Funds, LLC, the Adviser, as of the date of this report and are subject to change without notice based on changes in market, economic, or other conditions. These views are not intended to be a forecast of future events and are no guarantee of future results.

## Comparative Results

### Average Annual Returns through March 31, 2024 (a)(b) (Unaudited)

Total returns and average annual returns reflect changes in share price, reinvestment of distributions, and are net of expenses. Performance returns for periods of less than one year are not annualized.

	Six Months	1 Year	3 Year	5 Year	Since Inception (10/1/18)
<b>Class AAA (GAFSX)</b> .....	23.95%	30.82%	11.03%	11.18%	8.24%
MSCI World Financials Index (c) .....	25.40	31.30	9.93	11.39	9.00
<b>Class A (GGFSX)</b> .....	24.05	30.88	11.05	11.24	8.29
With sales charge (d) .....	16.92	23.35	8.88	9.93	7.13
<b>Class C (GCFSX)</b> .....	23.52	29.82	10.18	10.33	7.41
With contingent deferred sales charge (e) .....	22.52	28.82	10.18	10.33	7.41
<b>Class I (GFSIX)</b> .....	24.04	31.15	11.30	11.45	8.50

- (a) The Fund's fiscal year ends September 30.  
(b) Returns would have been lower had the Adviser not reimbursed certain expenses of the Fund. The Fund imposes a 2% redemption fee on shares sold or exchanged within seven days of purchase.  
(c) The MSCI World Financials Index captures large and mid cap securities in the Financials sector across Developed Markets countries. Dividends are considered reinvested. You cannot invest directly in an index.  
(d) Performance results include the effect of the maximum 5.75% sales charge at the beginning of the period.  
(e) Assuming payment of the 1% maximum contingent deferred sales charge imposed on redemptions made within one year of purchase.

In the current prospectuses dated January 26, 2024, the gross expense ratios for Class AAA, A, C, and I Shares are 1.91%, 1.91%, 2.66%, and 1.66%, respectively, and the net expense ratios for these share classes after contractual reimbursements by Gabelli Funds, LLC, (the Adviser) are 1.25%, 1.25%, 2.00%, and 1.00%, respectively. See page 10 for the expense ratios for the six months ended March 31, 2024. The contractual reimbursements are in effect through January 31, 2025. Class AAA and Class I Shares do not have a sales charge. The maximum sales charge for Class A Shares and Class C Shares is 5.75% and 1.00%, respectively.

Investing in foreign securities involves risks not ordinarily associated with investments in domestic issues, including currency fluctuation, economic, and political risks. Investors should carefully consider the investment objectives, risks, charges, and expenses of the Fund before investing. The prospectuses contain information about these and other matters and should be read carefully before investing. To obtain a prospectus, please visit our website at [www.gabelli.com](http://www.gabelli.com).

Returns represent past performance and do not guarantee future results. Investment returns and the principal value of an investment will fluctuate. When shares are redeemed, they may be worth more or less than their original cost. Current performance may be lower or higher than the performance data presented. Visit [www.gabelli.com](http://www.gabelli.com) for performance information as of the most recent month end.

The Gabelli Global Financial Services Fund
Disclosure of Fund Expenses (Unaudited)

For the Six Month Period from October 1, 2023 through March 31, 2024 Expense Table

We believe it is important for you to understand the impact of fees and expenses regarding your investment. All mutual funds have operating expenses. As a shareholder of a fund, you incur ongoing costs, which include costs for portfolio management, administrative services, and shareholder reports (like this one), among others. Operating expenses, which are deducted from a fund's gross income, directly reduce the investment return of a fund. When a fund's expenses are expressed as a percentage of its average net assets, this figure is known as the expense ratio. The following examples are intended to help you understand the ongoing costs (in dollars) of investing in your Fund and to compare these costs with those of other mutual funds. The examples are based on an investment of \$1,000 made at the beginning of the period shown and held for the entire period.

The Expense Table below illustrates your Fund's costs in two ways:

Actual Fund Return: This section provides information about actual account values and actual expenses. You may use this section to help you to estimate the actual expenses that you paid over the period after any fee waivers and expense reimbursements. The "Ending Account Value" shown is derived from the Fund's actual return during the past six months, and the "Expenses Paid During Period" shows the dollar amount that would have been paid by an investor who started with \$1,000 in the Fund. You may use this information, together with the amount you invested, to estimate the expenses that you paid over the period.

To do so, simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.6), then multiply the result by the number given for your Fund under the heading "Expenses Paid During Period" to estimate the expenses you paid during this period.

Hypothetical 5% Return: This section provides information about hypothetical account values and hypothetical expenses based on the Fund's actual expense ratio. It assumes a hypothetical annualized return of 5% before expenses during the period shown. In this case – because the hypothetical return used is not the Fund's actual return – the results do not apply to your investment and you cannot use the hypothetical account value and expense to estimate the actual ending account balance or expenses you

paid for the period. This example is useful in making comparisons of the ongoing costs of investing in the Fund and other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in shareholder reports of other funds.

Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transactional costs such as sales charges (loads), redemption fees, or exchange fees, if any, which are described in the Prospectus. If these costs were applied to your account, your costs would be higher. Therefore, the 5% hypothetical return is useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different funds.

Table with 5 columns: Fund Name, Beginning Account Value, Ending Account Value, Annualized Expense Ratio, and Expenses Paid During Period. It contains two sections: Actual Fund Return and Hypothetical 5% Return, each with four rows for Class AAA, Class A, Class C, and Class I.

\* Expenses are equal to the Fund's annualized expense ratio for the last six months multiplied by the average account value over the period, multiplied by the number of days in the most recent fiscal half year (183 days), then divided by 366.

## Summary of Portfolio Holdings (Unaudited)

The following table presents portfolio holdings as a percent of net assets as of March 31, 2024:

### The Gabelli Global Financial Services Fund

Banks .....	25.6%	Homebuilders .....	4.3%
Diversified Banks .....	13.3%	Reinsurance.....	3.2%
Insurance .....	11.6%	Institutional Banking.....	2.8%
Investment Management.....	9.2%	Energy and Utilities.....	2.6%
Automobiles .....	7.2%	U.S. Government Obligations.....	2.4%
Institutional Trust, Fiduciary, and Custody	6.1%	Other Assets and Liabilities (Net) .....	0.4%
Consumer Finance .....	6.1%		<u>100.0%</u>
Institutional Brokerage .....	5.2%		

*The Fund files a complete schedule of portfolio holdings with the Securities and Exchange Commission (the SEC) for the first and third quarters of each fiscal year on Form N-PORT. Shareholders may obtain this information at [www.gabelli.com](http://www.gabelli.com) or by calling the Fund at 800-GABELLI (800-422-3554). The Fund's Form N-PORT is available on the SEC's website at [www.sec.gov](http://www.sec.gov) and may also be reviewed and copied at the SEC's Public Reference Room in Washington, DC. Information on the operation of the Public Reference Room may be obtained by calling 800-SEC-0330.*

### Proxy Voting

The Fund files Form N-PX with its complete proxy voting record for the twelve months ended June 30, no later than August 31 of each year. A description of the Fund's proxy voting policies, procedures, and how the Fund voted proxies relating to portfolio securities is available without charge, upon request, by (i) calling 800-GABELLI (800-422-3554); (ii) writing to The Gabelli Funds at One Corporate Center, Rye, NY 10580-1422; or (iii) visiting the SEC's website at [www.sec.gov](http://www.sec.gov).

# The Gabelli Global Financial Services Fund

## Schedule of Investments — March 31, 2024 (Unaudited)

Shares		Cost	Market Value	Shares		Cost	Market Value
<b>COMMON STOCKS — 97.2%</b>				<b>Institutional Banking — 2.8%</b>			
<b>Automobiles — 7.2%</b>				19,350	Moelis & Co., Cl. A .....	\$ 696,637	\$ 1,098,500
24,199	Daimler Truck Holding AG...	\$ 706,209	\$ 1,225,989	<b>Institutional Brokerage — 5.2%</b>			
7,450	Mercedes-Benz Group AG...	400,900	593,243	131,200	Daiwa Securities Group Inc.	665,137	993,230
3,770	Toyota Motor Corp., ADR....	467,591	948,834	23,310	Jefferies Financial Group Inc. ....	425,633	1,027,971
		<u>1,574,700</u>	<u>2,768,066</u>			<u>1,090,770</u>	<u>2,021,201</u>
<b>Banks — 25.6%</b>				<b>Institutional Trust, Fiduciary, and Custody — 6.1%</b>			
82,500	Banco Bilbao Vizcaya Argentaria SA .....	435,552	982,617	13,230	State Street Corp. ....	781,051	1,022,944
82,000	Commerzbank AG .....	475,767	1,126,168	23,300	The Bank of New York Mellon Corp. ....	994,781	1,342,546
972,100	Dah Sing Banking Group Ltd. ....	780,575	691,793			<u>1,775,832</u>	<u>2,365,490</u>
394,600	Dah Sing Financial Holdings Ltd. ....	1,082,148	906,477	<b>Insurance — 11.6%</b>			
976	First Citizens BancShares Inc., Cl. A .....	311,950	1,595,760	143,618	Aegon Ltd. ....	557,510	875,424
45,663	Flushing Financial Corp. ....	642,339	575,810	1,527	E-L Financial Corp. Ltd. ....	1,097,457	1,227,631
36,500	ING Groep NV .....	311,739	600,357	18,767	First American Financial Corp. ....	1,042,812	1,145,725
44,900	Japan Post Bank Co. Ltd. ....	452,399	481,983	66,950	HG Holdings Inc.† .....	546,369	405,048
14,100	Shinhan Financial Group Co. Ltd., ADR .....	391,255	500,409	17,755	NN Group NV .....	686,201	820,216
15,443	Southern First Bancshares Inc.† .....	487,671	490,470			<u>3,930,349</u>	<u>4,474,044</u>
6,500	Texas Capital Bancshares Inc.† .....	390,581	400,075	<b>Investment Management — 9.2%</b>			
41,655	TrustCo Bank Corp. NY .....	1,253,008	1,173,005	6,390	Diamond Hill Investment Group Inc. ....	1,047,701	985,146
6,200	Webster Financial Corp. ....	171,046	314,774	16,700	Janus Henderson Group plc	452,010	549,263
		<u>7,186,030</u>	<u>9,839,698</u>	374,500	The Westaim Corp.† .....	849,177	1,022,960
<b>Consumer Finance — 6.1%</b>				79,392	Westwood Holdings Group Inc. ....	964,687	978,109
20,080	Ally Financial Inc. ....	487,356	815,047			<u>3,313,575</u>	<u>3,535,478</u>
10,310	Capital One Financial Corp. .	919,647	1,535,056	<b>Reinsurance — 3.2%</b>			
		<u>1,407,003</u>	<u>2,350,103</u>	18,800	Axis Capital Holdings Ltd. ...	949,439	1,222,376
<b>Diversified Banks — 13.3%</b>				<b>TOTAL COMMON STOCKS ..</b>			
118,000	Barclays plc. ....	211,594	272,847			<u>26,599,702</u>	<u>37,418,415</u>
15,050	Citigroup Inc. ....	670,751	951,762	<b>Principal Amount</b>			
40,670	Credit Agricole SA .....	440,708	606,202	<b>U.S. GOVERNMENT OBLIGATIONS — 2.4%</b>			
17,668	Hana Financial Group Inc. ...	519,656	772,996	\$ 920,000	U.S. Treasury Bills, 5.265% to 5.308%††, 04/18/24 to 05/14/24 .....	917,127	917,109
169,785	NatWest Group plc .....	393,522	568,951				
8,110	Societe Generale SA .....	160,695	217,074	<b>TOTAL INVESTMENTS —</b>			
111,200	Standard Chartered plc .....	733,968	942,317				
20,700	UniCredit SpA .....	270,951	785,535				
		<u>3,401,845</u>	<u>5,117,684</u>				
<b>Energy and Utilities — 2.6%</b>							
41,522	Vitesse Energy Inc. ....	595,875	985,317				
<b>Homebuilders — 4.3%</b>							
3,010	Cavco Industries Inc.† .....	443,036	1,201,170				
20,413	Legacy Housing Corp.† .....	234,611	439,288				
		<u>677,647</u>	<u>1,640,458</u>				

† Non-income producing security.  
†† Represents annualized yields at dates of purchase.

ADR American Depositary Receipt

See accompanying notes to financial statements.



# The Gabelli Global Financial Services Fund

## Statement of Assets and Liabilities

March 31, 2024 (Unaudited)

<b>Assets:</b>	
Investments, at value (cost \$27,516,829) . . . .	\$ 38,335,524
Receivable for investments sold . . . . .	24,407
Receivable for Fund shares sold . . . . .	25
Receivable from Adviser . . . . .	13,984
Dividends receivable . . . . .	174,037
Prepaid expenses . . . . .	49,170
<b>Total Assets</b> . . . . .	<u>38,597,147</u>
<b>Liabilities:</b>	
Payable to bank . . . . .	16,388
Payable for investments purchased . . . . .	15,224
Payable for investment advisory fees . . . . .	31,334
Payable for distribution fees . . . . .	372
Payable for legal and audit fees . . . . .	27,725
Other accrued expenses . . . . .	5,887
<b>Total Liabilities</b> . . . . .	<u>96,930</u>
<b>Net Assets</b> (applicable to 2,791,447 shares outstanding)	<u>\$ 38,500,217</u>
<b>Net Assets Consist of:</b>	
Paid-in capital . . . . .	\$ 28,078,115
Total distributable earnings . . . . .	10,422,102
<b>Net Assets</b> . . . . .	<u>\$ 38,500,217</u>
<b>Shares of Capital Stock, each at \$0.001 par value:</b>	
<b>Class AAA:</b>	
Net Asset Value, offering, and redemption price per share (\$1,812,660 ÷ 131,351 shares outstanding; 120,000,000 shares authorized)	<u>\$ 13.80</u>
<b>Class A:</b>	
Net Asset Value and redemption price per share (\$8,077 ÷ 579.61 shares outstanding; 60,000,000 shares authorized) . . . . .	<u>\$ 13.94</u>
Maximum offering price per share (NAV ÷ 0.9425, based on maximum sales charge of 5.75% of the offering price). . . . .	<u>\$ 14.79</u>
<b>Class C:</b>	
Net Asset Value and offering price per share (\$1,481 ÷ 108 shares outstanding; 20,000,000 shares authorized) . . . . .	<u>\$ 13.71(a)</u>
<b>Class I:</b>	
Net Asset Value, offering, and redemption price per share (\$36,677,999 ÷ 2,659,408 shares outstanding; 150,000,000 shares authorized)	<u>\$ 13.79</u>

(a) Redemption price varies based on the length of time held.

## Statement of Operations

For the Six Months Ended March 31, 2024 (Unaudited)

<b>Investment Income:</b>	
Dividends (net of foreign withholding taxes of \$13,124) . . . . .	\$ 395,643
Interest . . . . .	27,664
<b>Total Investment Income</b> . . . . .	<u>423,307</u>
<b>Expenses:</b>	
Investment advisory fees . . . . .	160,701
Distribution fees - Class AAA . . . . .	1,487
Distribution fees - Class A . . . . .	9
Distribution fees - Class C . . . . .	7
Legal and audit fees . . . . .	27,958
Registration expenses . . . . .	21,737
Shareholder communications expenses . . . . .	11,745
Custodian fees . . . . .	8,425
Shareholder services fees . . . . .	6,231
Directors' fees . . . . .	1,187
Miscellaneous expenses . . . . .	6,524
<b>Total Expenses</b> . . . . .	<u>246,011</u>
Less:	
Expense reimbursements (See Note 3) . . . . .	(82,976)
Expenses paid indirectly by broker (See Note 6) . . . . .	(832)
<b>Total Credits and Reimbursements</b> . . . . .	<u>(83,808)</u>
<b>Net Expenses</b> . . . . .	<u>162,203</u>
<b>Net Investment Income</b> . . . . .	<u>261,104</u>
<b>Net Realized and Unrealized Gain/(Loss) on Investments and Foreign Currency:</b>	
Net realized loss on investments . . . . .	(131,124)
Net realized gain on foreign currency transactions . . . . .	233
Net realized loss on investments and foreign currency transactions . . . . .	<u>(130,891)</u>
Net change in unrealized appreciation/depreciation: on investments . . . . .	6,997,565
on foreign currency translations . . . . .	(79)
Net change in unrealized appreciation/depreciation on investments and foreign currency translations . . . . .	<u>6,997,486</u>
<b>Net Realized and Unrealized Gain/(Loss) on Investments and Foreign Currency</b> . . . . .	<u>6,866,595</u>
<b>Net Increase in Net Assets Resulting from Operations</b> . . . . .	<u>\$ 7,127,699</u>

See accompanying notes to financial statements.



# The Gabelli Global Financial Services Fund

## Statement of Changes in Net Assets

	Six Months Ended March 31, 2024 (Unaudited)	Year Ended September 30, 2023
<b>Operations:</b>		
Net investment income . . . . .	\$ 261,104	\$ 734,654
Net realized gain/(loss) on investments and foreign currency transactions . . . . .	(130,891)	368,100
Net change in unrealized appreciation/depreciation on investments and foreign currency translations . . . . .	6,997,486	4,714,056
<b>Net Increase in Net Assets Resulting from Operations</b> . . . . .	<u>7,127,699</u>	<u>5,816,810</u>
<b>Distributions to Shareholders:</b>		
Accumulated earnings		
Class AAA . . . . .	(17,033)	(10,218)
Class A . . . . .	(137)	(451)
Class C . . . . .	(24)	(20)
Class I . . . . .	<u>(815,347)</u>	<u>(705,030)</u>
<b>Total Distributions to Shareholders</b> . . . . .	<u>(832,541)</u>	<u>(715,719)</u>
<b>Capital Share Transactions:</b>		
Class AAA . . . . .	1,004,717	140,135
Class A . . . . .	1,462	(13,049)
Class C . . . . .	24	20
Class I . . . . .	<u>2,972,508</u>	<u>1,514,982</u>
<b>Net Increase in Net Assets from Capital Share Transactions</b> . . . . .	<u>3,978,711</u>	<u>1,642,088</u>
<b>Redemption Fees</b> . . . . .	<u>20</u>	<u>2</u>
<b>Net Increase in Net Assets</b> . . . . .	10,273,889	6,743,181
<b>Net Assets:</b>		
Beginning of year . . . . .	28,226,328	21,483,147
End of period . . . . .	<u>\$ 38,500,217</u>	<u>\$ 28,226,328</u>

See accompanying notes to financial statements.

# The Gabelli Global Financial Services Fund

## Financial Highlights

Selected data for a share of capital stock outstanding throughout each period:

Year Ended September 30	Income (Loss) from Investment Operations									Distributions			Ratios to Average Net Assets/Supplemental Data				
	Net Asset Value, Beginning of Period	Net Investment Income(a)	Net Realized and Unrealized Gain (Loss) on Investments	Total from Investment Operations	Net Investment Income	Total Distributions	Redemption Fees(a)	Net Asset Value, End of Period	Total Return†	Net Assets, End of Period (in 000's)	Net Investment Income	Operating Expenses Before Reimbursement	Operating Expenses Net of Reimbursement(b)	Portfolio Turnover Rate			
Class AAA																	
2024(c)	\$ 11.43	\$ 0.09	\$ 2.59	\$ 2.68	\$ (0.31)	\$ (0.31)	\$ 0.00(d)	\$ 13.80	23.95%	\$ 1,813	1.37%(e)	1.77%(e)	1.25%(e)(f)	6%			
2023	9.28	0.28	2.14	2.42	(0.27)	(0.27)	—	11.43	26.47	577	2.57	1.91	1.25(f)	21			
2022	11.80	0.27(g)	(2.56)	(2.29)	(0.23)	(0.23)	—	9.28	(19.79)	339	2.39(g)	1.88	1.27(f)(h)	26			
2021	7.08	0.33	4.52	4.85	(0.13)	(0.13)	—	11.80	69.04	564	2.99	2.04	1.25(f)	19			
2020	9.09	0.11	(1.90)	(1.79)	(0.22)	(0.22)	0.00(d)	7.08	(20.33)	47	1.34	2.51	1.25(f)	18			
2019(i)	10.00	0.27	(1.15)	(0.88)	(0.03)	(0.03)	—	9.09	(8.76)	134	3.01	2.32	1.25	14			
Class A																	
2024(c)	\$ 11.50	\$ 0.07	\$ 2.64	\$ 2.71	\$ (0.27)	\$ (0.27)	\$ —	\$ 13.94	24.05%	\$ 8	1.20%(e)	1.77%(e)	1.25%(e)(f)	6%			
2023	9.34	0.27	2.17	2.44	(0.28)	(0.28)	—	11.50	26.44	6	2.51	1.91	1.25(f)	21			
2022	11.86	0.27(g)	(2.57)	(2.30)	(0.22)	(0.22)	—	9.34	(19.75)	15	2.34(g)	1.88	1.27(f)(h)	26			
2021	7.08	0.32	4.54	4.86	(0.08)	(0.08)	—	11.86	69.07	33	2.94	2.04	1.25(f)	19			
2020	9.10	0.16	(1.94)	(1.78)	(0.24)	(0.24)	0.00(d)	7.08	(20.24)	8	2.12	2.51	1.25(f)	18			
2019(i)	10.00	0.35	(1.22)	(0.87)	(0.03)	(0.03)	—	9.10	(8.71)	10	3.77	2.32	1.25	14			
Class C																	
2024(c)	\$ 11.32	\$ 0.04	\$ 2.58	\$ 2.62	\$ (0.23)	\$ (0.23)	\$ —	\$ 13.71	23.52%	\$ 1	0.60%(e)	2.52%(e)	2.00%(e)(f)	6%			
2023	9.19	0.19	2.13	2.32	(0.19)	(0.19)	—	11.32	25.48	1	1.72	2.66	2.00(f)	21			
2022	11.68	0.29(g)	(2.64)	(2.35)	(0.14)	(0.14)	—	9.19	(20.35)	1	2.62(g)	2.63	2.02(f)(h)	26			
2021	7.03	0.18	4.55	4.73	(0.08)	(0.08)	—	11.68	67.59	1	1.77	2.79	2.00(f)	19			
2020	9.05	0.06	(1.91)	(1.85)	(0.17)	(0.17)	0.00(d)	7.03	(20.97)	1	0.76	3.26	2.00(f)	18			
2019(i)	10.00	0.17	(1.11)	(0.94)	(0.01)	(0.01)	—	9.05	(9.39)	1	1.85	3.08	2.00	14			
Class I																	
2024(c)	\$ 11.44	\$ 0.10	\$ 2.59	\$ 2.69	\$ (0.34)	\$ (0.34)	\$ 0.00(d)	\$ 13.79	24.04%	\$ 36,678	1.63%(e)	1.52%(e)	1.00%(e)(f)	6%			
2023	9.29	0.30	2.16	2.46	(0.31)	(0.31)	0.00(d)	11.44	26.82	27,642	2.77	1.66	1.00(f)	21			
2022	11.80	0.31(g)	(2.57)	(2.26)	(0.25)	(0.25)	—	9.29	(19.57)	21,128	2.76(g)	1.63	1.02(f)(h)	26			
2021	7.08	0.29	4.58	4.87	(0.15)	(0.15)	—	11.80	69.45	24,221	2.79	1.79	1.00(f)	19			
2020	9.11	0.14	(1.91)	(1.77)	(0.26)	(0.26)	0.00(d)	7.08	(20.17)	13,445	1.84	2.26	1.00(f)	18			
2019(i)	10.00	0.28	(1.13)	(0.85)	(0.04)	(0.04)	—	9.11	(8.51)	13,093	3.05	2.07	1.00	14			

† Total return represents aggregate total return of a hypothetical investment at the beginning of the period and sold at the end of the period. Total return for a period of less than one year is not annualized.

(a) Per share amounts have been calculated using the average shares outstanding method.

(b) Under an expense reimbursement agreement with the Adviser, the Adviser reimbursed expenses of \$82,976, \$174,121, \$149,730, \$165,217, \$174,126, and \$124,154 for the six months ended March 31, 2024 and the fiscal years ended September 30, 2023, 2022, 2021, 2020, and 2019, respectively.

(c) For the six months ended March 31, 2024, unaudited.

(d) Amount represents less than \$0.005 per share.

(e) Annualized.

(f) The Fund received credits from a designated broker who agreed to pay certain Fund expenses. For the six months ended March 31, 2024 and the fiscal years ended September 30, 2023, 2022, 2021, and 2020, if credits had not been received, the expense ratios would have been 1.26%, 1.26%, 1.28%, 1.26%, and 1.26% (Class AAA and Class A), 2.01%, 2.01%, 2.02%, 2.01%, and 2.01% (Class C), and 1.01%, 1.01%, 1.03%, 1.01%, and 1.01% (Class I), respectively.

(g) Includes income resulting from special dividends. Without these dividends, the per share income amounts would have been \$0.21 (Class AAA and Class A), \$0.23 (Class C), and \$0.25 (Class I), and the net investment income ratios would have been 1.88% (Class AAA), 1.84% (Class A), 2.12% (Class C), and 2.25% (Class I) for the fiscal year ended September 30, 2022.

(h) The Fund incurred tax expense for the fiscal year ended September 30, 2022. If tax expense had not been incurred, the ratios of operating expenses to average net assets would have been 1.25% (Class AAA and Class A), 2.00% (Class C), and 1.00% (Class I).

(i) The Fund commenced investment operations on October 1, 2018.

See accompanying notes to financial statements.

## The Gabelli Global Financial Services Fund

### Notes to Financial Statements (Unaudited)

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**1. Organization.** The Gabelli Global Financial Services Fund, a series of the Gabelli Equity Series Funds, Inc. (the Corporation), was incorporated on July 25, 1991 in Maryland. The Fund is a non-diversified open-end management investment company registered under the Investment Company Act of 1940, as amended (the 1940 Act), and is one of four separately managed portfolios (collectively, the Portfolios) of the Corporation. The Fund seeks to provide capital appreciation. The Fund commenced investment operations on October 1, 2018.

**2. Significant Accounting Policies.** As an investment company, the Fund follows the investment company accounting and reporting guidance, which is part of U.S. generally accepted accounting principles (GAAP) that may require the use of management estimates and assumptions in the preparation of its financial statements. Actual results could differ from those estimates. The following is a summary of significant accounting policies followed by the Fund in the preparation of its financial statements.

**Security Valuation.** Portfolio securities listed or traded on a nationally recognized securities exchange or traded in the U.S. over-the-counter market for which market quotations are readily available are valued at the last quoted sale price or a market's official closing price as of the close of business on the day the securities are being valued. If there were no sales that day, the security is valued at the average of the closing bid and asked prices or, if there were no asked prices quoted on that day, then the security is valued at the closing bid price on that day. If no bid or asked prices are quoted on such day, the security is valued at the most recently available price or, if the Board of Directors (the Board) so determines, by such other method as the Board shall determine in good faith to reflect its fair market value. Portfolio securities traded on more than one national securities exchange or market are valued according to the broadest and most representative market, as determined by Gabelli Funds, LLC (the Adviser).

Portfolio securities primarily traded on a foreign market are generally valued at the preceding closing values of such securities on the relevant market, but may be fair valued pursuant to procedures established by the Board if market conditions change significantly after the close of the foreign market, but prior to the close of business on the day the securities are being valued. Debt obligations for which market quotations are readily available are valued at the average of the latest bid and asked prices. If there were no asked prices quoted on such day, the security is valued using the closing bid price, unless the Board determines such amount does not reflect the securities' fair value, in which case these securities will be fair valued as determined by the Board. Certain securities are valued principally using dealer quotations. Futures contracts are valued at the closing settlement price of the exchange or board of trade on which the applicable contract is traded. OTC futures and options on futures for which market quotations are readily available will be valued by quotations received from a pricing service or, if no quotations are available from a pricing service, by quotations obtained from one of more dealers in the instrument in question by the Adviser.

Securities and assets for which market quotations are not readily available are fair valued as determined by the Board. Fair valuation methodologies and procedures may include, but are not limited to: analysis and review of available financial and non-financial information about the company; comparisons with the valuation and changes in valuation of similar securities, including a comparison of foreign securities with the equivalent U.S. dollar value American Depositary Receipt securities at the close of the U.S. exchange; and evaluation of any other information that could be indicative of the value of the security.

## The Gabelli Global Financial Services Fund

### Notes to Financial Statements (Unaudited) (Continued)

The inputs and valuation techniques used to measure fair value of the Fund's investments are summarized into three levels as described in the hierarchy below:

- Level 1 — quoted prices in active markets for identical securities;
- Level 2 — other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.); and
- Level 3 — significant unobservable inputs (including the Board's determinations as to the fair value of investments).

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input both individually and in the aggregate that is significant to the fair value measurement. The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. The summary of the Fund's investments in securities by inputs used to value the Fund's investments as of March 31, 2024 is as follows:

	Valuation Inputs		
	Level 1 Quoted Prices	Level 2 Other Significant Observable Inputs	Total Market Value at 03/31/24
INVESTMENTS IN SECURITIES:			
ASSETS (Market Value):			
Common Stocks (a)	\$ 37,418,415	—	\$ 37,418,415
U.S. Government Obligations	—	\$ 917,109	917,109
TOTAL INVESTMENTS IN SECURITIES – ASSETS	\$ 37,418,415	\$ 917,109	\$ 38,335,524

(a) Please refer to the Schedule of Investments for the industry classifications of these portfolio holdings.

The Fund held no Level 3 investments at March 31, 2024 or September 30, 2023. The Fund's policy is to recognize transfers among levels as of the beginning of the reporting period.

### Additional Information to Evaluate Qualitative Information.

**General.** The Fund uses recognized industry pricing services – approved by the Board and unaffiliated with the Adviser – to value most of its securities, and uses broker quotes provided by market makers of securities not valued by these and other recognized pricing sources. Several different pricing feeds are received to value domestic equity securities, international equity securities, preferred equity securities, and fixed income securities. The data within these feeds are ultimately sourced from major stock exchanges and trading systems where these securities trade. The prices supplied by external sources are checked by obtaining quotations or actual transaction prices from market participants. If a price obtained from the pricing source is deemed unreliable, prices will be sought from another pricing service or from a broker/dealer that trades that security or similar securities.

**Fair Valuation.** Fair valued securities may be common or preferred equities, warrants, options, rights, or fixed income obligations. Where appropriate, Level 3 securities are those for which market quotations are not available, such as securities not traded for several days, or for which current bids are not available, or which are restricted as to transfer. When fair valuing a security, factors to consider include recent prices of comparable securities that are publicly traded, reliable prices of securities not publicly traded, the use of valuation models, current

## The Gabelli Global Financial Services Fund

### Notes to Financial Statements (Unaudited) (Continued)

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analyst reports, valuing the income or cash flow of the issuer, or cost if the preceding factors do not apply. A significant change in the unobservable inputs could result in a lower or higher value in Level 3 securities. The circumstances of Level 3 securities are frequently monitored to determine if fair valuation measures continue to apply.

The Adviser reports quarterly to the Board the results of the application of fair valuation policies and procedures. These may include backtesting the prices realized in subsequent trades of these fair valued securities to fair values previously recognized.

**Foreign Currency Translations.** The books and records of the Fund are maintained in U.S. dollars. Foreign currencies, investments, and other assets and liabilities are translated into U.S. dollars at current exchange rates. Purchases and sales of investment securities, income, and expenses are translated at the exchange rate prevailing on the respective dates of such transactions. Unrealized gains and losses that result from changes in foreign exchange rates and/or changes in market prices of securities have been included in unrealized appreciation/depreciation on investments and foreign currency translations. Net realized foreign currency gains and losses resulting from changes in exchange rates include foreign currency gains and losses between trade date and settlement date on investment securities transactions, foreign currency transactions, and the difference between the amounts of interest and dividends recorded on the books of the Fund and the amounts actually received. The portion of foreign currency gains and losses related to fluctuation in exchange rates between the initial purchase trade date and subsequent sale trade date is included in realized gain/(loss) on investments.

**Foreign Securities.** The Fund may directly purchase securities of foreign issuers. Investing in securities of foreign issuers involves special risks not typically associated with investing in securities of U.S. issuers. The risks include possible revaluation of currencies, the inability to repatriate funds, less complete financial information about companies, and possible future adverse political and economic developments. Moreover, securities of many foreign issuers and their markets may be less liquid and their prices more volatile than securities of comparable U.S. issuers.

**Foreign Taxes.** The Fund may be subject to foreign taxes on income, gains on investments, or currency repatriation, a portion of which may be recoverable. The Fund will accrue such taxes and recoveries as applicable, based upon its current interpretation of tax rules and regulations that exist in the markets in which it invests.

**Restricted Securities.** The Fund may invest up to 15% of its net assets in securities for which the markets are restricted. Restricted securities include securities whose disposition is subject to substantial legal or contractual restrictions. The sale of restricted securities often requires more time and results in higher brokerage charges or dealer discounts and other selling expenses than the sale of securities eligible for trading on national securities exchanges or in the over-the-counter markets. Restricted securities may sell at a price lower than similar securities that are not subject to restrictions on resale. Securities freely saleable among qualified institutional investors under special rules adopted by the SEC may be treated as liquid if they satisfy liquidity standards established by the Board. The continued liquidity of such securities is not as well assured as that of publicly traded securities, and accordingly the Board will monitor their liquidity. At March 31, 2024, the Fund did not hold any restricted securities.

**Securities Transactions and Investment Income.** Securities transactions are accounted for on the trade date with realized gain/(loss) on investments determined by using the identified cost method. Interest income (including amortization of premium and accretion of discount) is recorded on an accrual basis. Premiums and

**The Gabelli Global Financial Services Fund**  
**Notes to Financial Statements (Unaudited) (Continued)**

discounts on debt securities are amortized using the effective yield to maturity method or amortized to earliest call date, if applicable. Dividend income is recorded on the ex-dividend date, except for certain dividends from foreign securities that are recorded as soon after the ex-dividend date as the Fund becomes aware of such dividends.

**Determination of Net Asset Value and Calculation of Expenses.** Certain administrative expenses are common to, and allocated among, various affiliated funds. Such allocations are made on the basis of each fund’s average net assets or other criteria directly affecting the expenses as determined by the Adviser pursuant to procedures established by the Board.

In calculating the NAV per share of each class, investment income, realized and unrealized gains and losses, redemption fees, and expenses other than class specific expenses are allocated daily to each class of shares based upon the proportion of net assets of each class at the beginning of each day. Distribution expenses are borne solely by the class incurring the expense.

**Distributions to Shareholders.** Distributions to shareholders are recorded on the ex-dividend date. The characterization of distributions to shareholders is based on income and capital gains as determined in accordance with federal income tax regulations, which may differ from income and capital gains as determined under GAAP. These differences are primarily due to differing treatments of income and gains on various investment securities and foreign currency transactions, timing differences, and differing characterizations of distributions made by the Fund. Distributions from net investment income for federal income tax purposes include net realized gains on foreign currency transactions. These book/tax differences are either temporary or permanent in nature. To the extent these differences are permanent, adjustments are made to the appropriate capital accounts in the period when the differences arise. These reclassifications have no impact on the NAV of the Fund.

The tax character of distributions paid during the fiscal year ended September 30, 2023 was ordinary income.

**Provision for Income Taxes.** The Fund intends to continue to qualify as a regulated investment company under Subchapter M of the Internal Revenue Code of 1986, as amended (the Code). It is the policy of the Fund to comply with the requirements of the Code applicable to regulated investment companies and to distribute substantially all of its net investment company taxable income and net capital gains. Therefore, no provision for federal income taxes is required.

The Fund is permitted to carry capital losses forward for an unlimited period. Capital losses that are carried forward will retain their character as either short term or long term capital losses. As of September 30, 2023, the Fund had a short term capital loss carryforward with no expiration of \$201,250 and a long term capital loss carryforward with no expiration of \$116,242.

The following summarizes the tax cost of investments and the related net unrealized appreciation at March 31, 2024:

	<u>Cost</u>	<u>Gross Unrealized Appreciation</u>	<u>Gross Unrealized Depreciation</u>	<u>Net Unrealized Appreciation</u>
Investments . . . . .	\$27,531,173	\$11,433,575	\$(629,224)	\$10,804,351

**The Gabelli Global Financial Services Fund**  
**Notes to Financial Statements (Unaudited) (Continued)**

The Fund is required to evaluate tax positions taken or expected to be taken in the course of preparing the Fund's tax returns to determine whether the tax positions are "more-likely-than-not" of being sustained by the applicable tax authority. Income tax and related interest and penalties would be recognized by the Fund as tax expense in the Statement of Operations if the tax positions were deemed not to meet the more-likely-than-not threshold. During the six months ended March 31, 2024, the Fund did not incur any income tax, interest, or penalties. As of March 31, 2024, the Adviser has reviewed all open tax years and concluded that there was no impact to the Fund's net assets or results of operations. The Fund's federal and state tax returns for the prior three fiscal years remain open, subject to examination. On an ongoing basis, the Adviser will monitor the Fund's tax positions to determine if adjustments to this conclusion are necessary.

**3. Investment Advisory Agreement and Other Transactions.** The Fund has entered into an investment advisory agreement (the Advisory Agreement) with the Adviser which provides that the Fund will pay the Adviser a fee, computed daily and paid monthly, at the annual rate of 1.00% of the value of its average daily net assets. In accordance with the Advisory Agreement, the Adviser provides a continuous investment program for the Fund's portfolio, oversees the administration of all aspects of the Fund's business and affairs, and pays the compensation of all Officers and Directors of the Fund who are affiliated persons of the Adviser.

The Adviser has contractually agreed to waive its investment advisory fees and/or to reimburse expenses of the Fund to the extent necessary to maintain the annualized total operating expenses of the Fund (excluding brokerage costs, acquired fund fees and expenses, interest, taxes, and extraordinary expenses) at no more than an annual rate of 1.25%, 1.25%, 2.00%, and 1.00% for Class AAA, Class A, Class C, and Class I shares, respectively. This arrangement is in effect through June 1, 2024. For the six months ended March 31, 2024, the Adviser reimbursed the Fund in the amount of \$82,976. In addition, the Fund has also agreed, during the two year period following any waiver or reimbursement by the Adviser, to repay such amount to the extent, that after giving effect to the repayments, such adjusted annualized total operating expenses of the Fund would not exceed the foregoing expense limitations of the value of the Fund's average daily net assets for Class AAA, Class A, Class C, and Class I Shares. At March 31, 2024, the cumulative amount which the Fund may repay the Adviser, subject to the terms above, is \$406,827:

For the fiscal year ended September 30, 2022, expiring September 30, 2024 . . . . .	\$	149,730
For the fiscal year ended September 30, 2023, expiring September 30, 2025 . . . . .		174,121
For the six months ended March 31, 2024, expiring September 30, 2026 . . . . .		82,976
	\$	<u>406,827</u>

**4. Distribution Plan.** The Fund's Board has adopted a distribution plan (the Plan) for each class of shares, except for Class I Shares, pursuant to Rule 12b-1 under the 1940 Act. Under the Class AAA, Class A, and Class C Share Plans, payments are authorized to G.distributors, LLC (the Distributor), an affiliate of the Adviser, at annual rates of 0.25%, 0.25%, and 1.00%, respectively, of the average daily net assets of those classes, the annual limitations under each Plan. Such payments are accrued daily and paid monthly.

**5. Portfolio Securities.** Purchases and sales of securities during the six months ended March 31, 2024, other than short term securities and U.S. Government obligations, aggregated \$4,954,531 and \$1,872,925, respectively.

**6. Transactions with Affiliates and Other Arrangements.** During the six months ended March 31, 2024, the Fund paid \$1,693 in brokerage commissions on security trades to G.research, LLC, an affiliate of the Adviser.



## The Gabelli Global Financial Services Fund

### Notes to Financial Statements (Unaudited) (Continued)

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During the six months ended March 31, 2024, the Fund received credits from a designated broker who agreed to pay certain Fund operating expenses. The amount of such expenses paid through this directed brokerage arrangement during this period was \$832.

The cost of calculating the Fund's NAV per share is a Fund expense pursuant to the Advisory Agreement. The Adviser did not seek a reimbursement during the six months ended March 31, 2024.

The Corporation pays retainer and per meeting fees to Directors not affiliated with the Adviser, plus specified amounts to the Lead Director and Audit Committee Chairman. Directors are also reimbursed for out of pocket expenses incurred in attending meetings. Directors who are directors or employees of the Adviser or an affiliated company receive no compensation or expense reimbursement from the Corporation.

**7. Line of Credit.** The Fund participates in an unsecured line of credit, which expires on February 26, 2025 and may be renewed annually, of up to \$75,000,000 under which it may borrow up to 10% of its net assets from the bank for temporary borrowing purposes. Borrowings under this arrangement bear interest at a floating rate equal to the higher of the Overnight Federal Funds Rate plus 135 basis points or the Overnight Bank Funding Rate plus 135 basis points in effect on that day. This amount, if any, would be included in "Interest expense" in the Statement of Operations. During the six months ended March 31, 2024, there were no borrowings under the line of credit.

**8. Capital Stock.** The Fund offers four classes of shares – Class AAA Shares, Class A Shares, Class C Shares, and Class I Shares. Class AAA and Class I Shares are offered without a sales charge. Class A Shares are subject to a maximum front-end sales charge of 5.75%. Class C Shares are subject to a 1.00% contingent deferred sales charge for one year after purchase.

The Fund imposes a redemption fee of 2.00% on all classes of shares that are redeemed or exchanged on or before the seventh day after the date of a purchase. The redemption fee is deducted from the proceeds otherwise payable to the redeeming shareholders and is retained by the Fund as an increase in paid-in capital. The redemption fees retained by the Fund during the six months ended March 31, 2024 and the fiscal year ended September 30, 2023, if any, can be found in the Statement of Changes in Net Assets under Redemption Fees.

## The Gabelli Global Financial Services Fund

### Notes to Financial Statements (Unaudited) (Continued)

Transactions in shares of capital stock were as follows:

	Six Months Ended March 31, 2024 (Unaudited)		Year Ended September 30, 2023	
	Shares	Amount	Shares	Amount
<b>Class AAA</b>				
Shares sold . . . . .	102,632	\$ 1,277,787	34,107	\$ 370,430
Shares issued upon reinvestment of distributions . . . . .	1,455	16,912	987	10,111
Shares redeemed . . . . .	(23,260)	(289,982)	(21,125)	(240,406)
Net increase . . . . .	<u>80,827</u>	<u>\$ 1,004,717</u>	<u>13,969</u>	<u>\$ 140,135</u>
<b>Class A</b>				
Shares sold . . . . .	639	\$ 8,100	136	\$ 1,500
Shares issued upon reinvestment of distributions . . . . .	12	137	44	451
Shares redeemed . . . . .	(549)	(6,775)	(1,302)	(15,000)
Net increase/(decrease) . . . . .	<u>102</u>	<u>\$ 1,462</u>	<u>(1,122)</u>	<u>\$ (13,049)</u>
<b>Class C</b>				
Shares issued upon reinvestment of distributions . . . . .	2	\$ 24	2	\$ 20
Net increase . . . . .	<u>2</u>	<u>\$ 24</u>	<u>2</u>	<u>\$ 20</u>
<b>Class I</b>				
Shares sold . . . . .	178,608	\$ 2,233,546	111,795	\$ 1,212,544
Shares issued upon reinvestment of distributions . . . . .	69,967	811,618	68,655	701,651
Shares redeemed . . . . .	(5,972)	(72,656)	(37,638)	(399,213)
Net increase . . . . .	<u>242,603</u>	<u>\$ 2,972,508</u>	<u>142,812</u>	<u>\$ 1,514,982</u>

**9. Significant Shareholder.** As of March 31, 2024, 87.79% of the Fund was beneficially owned by the Adviser and its affiliates, including managed accounts for which the Adviser and affiliates have voting control but disclaim pecuniary interest.

**10. Indemnifications.** The Fund enters into contracts that contain a variety of indemnifications. The Fund's maximum exposure under these arrangements is unknown. However, the Fund has not had prior claims or losses pursuant to these contracts. Management has reviewed the Fund's existing contracts and expects the risk of loss to be remote.

**11. Subsequent Events.** Management has evaluated the impact on the Fund of all subsequent events occurring through the date the financial statements were issued and has determined that there were no subsequent events requiring recognition or disclosure in the financial statements.

## **The Gabelli Global Financial Services Fund**

### **Board Consideration and Re-Approval of Management Agreement (Unaudited)**

During the six months ended March 31, 2024, the Board of Directors of the Corporation approved the continuation of the investment advisory agreement with the Adviser for the Fund on the basis of the recommendation by the directors (the Independent Board Members) who are not interested persons of the Fund. The following paragraphs summarize the material information and factors considered by the Independent Board Members as well as their conclusions relative to such factors.

**Nature, Extent, and Quality of Services.** The Independent Board Members considered information regarding the portfolio manager, the depth of the analyst pool available to the Adviser and the portfolio manager, the scope of supervisory, administrative, shareholder, and other services supervised or provided by the Adviser and the absence of significant service problems reported to the Board. The Independent Board Members noted the experience, length of service, and reputation of the portfolio manager.

**Investment Performance.** The Independent Board Members reviewed the short term performance of the Fund (as of December 31, 2023) of the Fund against a peer group of eight other comparable funds prepared by the Adviser (the Adviser Peer Group) and against a peer group prepared by Broadridge (the Broadridge Performance Peer Group) consisting of the Fund and all retail and institutional global financial services fund, regardless of asset size or primary channel of distribution. The Independent Board Members noted that the Fund's performance was in the first quartile for the one- and three-year periods and in the second quartile for the five-year period, as measured against the Adviser Peer Group. Against the Broadridge Performance Peer Group, the Independent Board Members noted that the Fund's performance was in the first quintile for the three-year period and the second quintile for the one- and five-year periods.

**Profitability.** The Independent Board Members reviewed summary data regarding the historical lack of profitability of the Fund to the Adviser both with a pro rata administrative overhead charge and with a standalone administrative charge and noted the effect of the Deferral Agreement. The Independent Board Members also noted that a portion of the Fund's portfolio transactions were executed by an affiliated broker of the Adviser and that another affiliated broker of the Adviser received distribution fees and minor amounts of sales commissions.

**Economies of Scale.** The Independent Board Members discussed the major elements of the Adviser's cost structure and the relationship of those elements to potential economies of scale and reviewed data provided by the Adviser.

**Sharing of Economies of Scale.** The Independent Board Members noted that the investment management fee schedule for the Fund does not take into account any potential economies of scale that may develop.

**Service and Cost Comparisons.** The Independent Board Members compared the expense ratios of the investment management fee, other expenses, and total expenses of the Fund to similar expense ratios of the Adviser Peer Group and a peer group of three other global financial services funds and eight other financial services funds selected by Broadridge and noted that the Adviser's management fee includes substantially all administrative services for the Fund as well as investment advisory services. The Independent Board Members noted the effect of the Deferral Agreement in place for the Fund. The Independent Board Members noted that the Fund's expense ratios were lower than average within each peer group and that the Fund's size was below average within the Adviser Peer Group and below average within the peer group of comparable funds selected by Broadridge. The Independent Board Members also noted that the management fee structure was the same as that in effect for most of the Gabelli funds. The Independent Board Members were presented with, but did not

## **The Gabelli Global Financial Services Fund**

### **Board Consideration and Re-Approval of Management Agreement (Unaudited) (Continued)**

consider to be material to their decision, various information comparing the advisory fee with the fee for other types of accounts managed by the Adviser.

**Conclusions.** The Independent Board Members concluded that the Fund enjoyed highly experienced portfolio management services, good ancillary services, and an acceptable overall performance record. The Independent Board Members also concluded that the Fund's expense ratios and profitability to the Adviser were acceptable, and that economies of scale were not a significant factor in their thinking at this time. The Board Members did not view the potential profitability of ancillary services as material to their decision. On the basis of the foregoing and without assigning particular weight to any single conclusion, the Independent Board Members determined to recommend continuation of the Advisory Agreement to the full Board.

Based on a consideration of all these factors in their totality, the Board Members, including all of the Independent Board Members, determined that the Fund's advisory fee was acceptable in light of the quality of services provided and in light of the other factors described above that the Board deemed relevant. Accordingly, the Board Members determined to approve the continuation of the Fund's Advisory Agreement. The Board based its decision on evaluations of all these factors as a whole and did not consider any one factor as all-important or controlling.

## Gabelli Funds and Your Personal Privacy

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### Who are we?

The Gabelli Funds are investment companies registered with the Securities and Exchange Commission under the Investment Company Act of 1940. We are managed by Gabelli Funds, LLC, which is affiliated with GAMCO Investors, Inc., a publicly held company with subsidiaries and affiliates that provide investment advisory services for a variety of clients.

### What kind of non-public information do we collect about you if you become a fund shareholder?

If you apply to open an account directly with us, you will be giving us some non-public information about yourself. The non-public information we collect about you is:

- *Information you give us on your application form.* This could include your name, address, telephone number, social security number, bank account number, and other information.
- *Information about your transactions with us, any transactions with our affiliates, and transactions with the entities we hire to provide services to you.* This would include information about the shares that you buy or redeem. If we hire someone else to provide services — like a transfer agent — we will also have information about the transactions that you conduct through them.

### What information do we disclose and to whom do we disclose it?

We do not disclose any non-public personal information about our customers or former customers to anyone other than our affiliates, our service providers who need to know such information, and as otherwise permitted by law. If you want to find out what the law permits, you can read the privacy rules adopted by the Securities and Exchange Commission. They are in volume 17 of the Code of Federal Regulations, Part 248. The Commission often posts information about its regulations on its website, [www.sec.gov](http://www.sec.gov).

### What do we do to protect your personal information?

We restrict access to non-public personal information about you to the people who need to know that information in order to provide services to you or the fund and to ensure that we are complying with the laws governing the securities business. We maintain physical, electronic, and procedural safeguards to keep your personal information.

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**THE GABELLI GLOBAL FINANCIAL SERVICES FUND**  
**One Corporate Center**  
**Rye, NY 10580-1422**

**Portfolio Manager's Biography**

**Ian Lapey** joined Gabelli in October 2018 as a portfolio manager. Prior to joining Gabelli, Mr. Lapey was a research analyst and partner at Moerus Capital Management LLC. Prior to joining Moerus, he was a partner, research analyst, and a portfolio manager at Third Avenue Management. Mr. Lapey holds an MBA degree in Finance and Statistics from the Stern School of Business at New York University. He also holds a Master's degree in Accounting from Northeastern University and a BA in Economics from Williams College.

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GABELLI  
FUNDS

# THE GABELLI GLOBAL FINANCIAL SERVICES FUND

*Semiannual Report  
March 31, 2024*

