

# Gabelli Pet Parents'™ 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 I Share of the Gabelli Pet Parents'™ Fund was 13.3% compared with a total return of 23.5% for the Standard & Poor's (S&P) 500 Index. Another class of shares is available. See page 3 for additional performance information.

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

## **Investment Objective and Strategy**

The Fund invests in companies in the pet industry. This includes companies that offer services and products for pets and pet owners (Pet Parents), manufacturers and distributors of pet food, pet supplies, veterinary pharmaceuticals, veterinary wellness, veterinary and other pet services, pet equipment, pet toys, and products and services that support Pet Parents regarding their pet activities. The portfolio manager's investment philosophy with respect to equity securities is to identify assets that are selling in the public market at a discount to their private market value (PMV). PMV is the value the Fund's investment adviser, Gabelli Funds, LLC, believes informed investors would be willing to pay for a company.

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).

## Performance Discussion (Unaudited)

For the fourth quarter of 2024, the Gabelli Pet Parents Fund (PETZX) returned 13.3%; outperforming the S&P 500 which returned 11.2%; the Russell 3000 which returned 12%; and the Russell 1000 which returned 11.9%.

The pet economy has grown significantly in recent years. From 2019, the inflation rate for pet-related products has gone up over 25%; but there's been an even more striking increase of over 60% for the average household spending on pets and pet-related products. The sharp contrast highlights the industry's resilience against economic headwinds and more significantly reflects pet parents' unwavering commitment to their pets, regardless of the economic environment and macroeconomic fluctuations.

The Fund was flat in the first quarter of 2024, compared to a decline of 5.3% for PAWZ, a pet-care ETF. We believe the strong relative performance of the Gabelli Pet Parents Fund reflects the portfolio's fundamental approach to investing in an industry that has seen significant volatility over the past several years.

We continue to see the effects of the pandemic on pet stocks, due to a dramatic paradigm shift in pet ownership from 2020 onward. With 7 out of 10 U.S. households owning household animals, the market presents substantial opportunities for the companies in the Fund's portfolio. Pet owners increasingly invest in premium foods, luxury services, and advanced healthcare for their furry companions. Pet parents continue to expand investments in preventative care, incorporating health and wellness products into their pets' regular routines.

Some of the Fund's top performing stocks were Freshpet Inc. (8.4% of net assets as of March 31, 2024); Elanco Animal Health Inc. (7.0%); and Amazon.com Inc. (4.7%). Portfolio detractors included PetIQ Inc. (8.4%); CVS Group plc (2.1%); and Petco Health & Wellness Co. Inc. (4.6%).

We appreciate your confidence 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	Since Inception (6/19/18)(c)
<b>Class I (PETZX)</b> .....	13.33%	14.24%	(4.46)%	5.91%
S&P 500 Index (d) .....	23.48	29.88	11.49	13.70
<b>Class A (PETGX)</b> .....	13.28	14.09	(4.61)	5.82
With sales charge (e) .....	6.76	7.53	(6.48)	4.74

(a) The Fund's fiscal year ends on September 30.

(b) Returns would have been lower had the Adviser not reimbursed certain expenses of the Fund. The Class I Share NAVs are used to calculate performance for the periods prior to the issuance of Class A Shares on March 1, 2022.

(c) Performance prior to the commencement of operations on April 1, 2019 is from a predecessor fund, Gabelli Pet Parents' NextShares.

(d) The S&P 500 Index is a market capitalization weighted index of 500 large capitalization stocks commonly used to represent the U.S. equity market. Dividends are considered reinvested. You cannot invest directly in an index.

(e) Performance results include the effect of the maximum 5.75% sales charge at the beginning of the period.

In the current prospectus dated January 26, 2024, the gross expense ratio for Class A and Class I Shares were 5.86% and 5.61%, respectively, and the net expense ratio for these share classes after contractual reimbursements by the Adviser were 1.15% and 0.90%, respectively. The contractual reimbursement is in effect through January 28, 2025.

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.

Gabelli Pet Parents’ 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.

	Beginning Account Value 10/01/23	Ending Account Value 03/31/24	Annualized Expense Ratio	Expenses Paid During Period *
<b>The Gabelli Pet Parents’ Fund</b>				
<b>Actual Fund Return</b>				
Class A	\$1,000.00	\$1,132.80	1.17%	\$ 6.24
Class I	\$1,000.00	\$1,133.30	0.92%	\$ 4.91
<b>Hypothetical 5% Return</b>				
Class A	\$1,000.00	\$1,019.15	1.17%	\$ 5.91
Class I	\$1,000.00	\$1,020.40	0.92%	\$ 4.65

\* 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:

### Gabelli Pet Parents' Fund

Pet Healthcare .....	20.5%	Retail.....	6.6%
Pet Services.....	19.2%	Consumer Products .....	5.8%
Pet Food and Nutrition .....	13.1%	Consumer Services .....	4.6%
Pharmaceuticals .....	13.0%	Other Assets and Liabilities (Net) .....	1.8%
Pet Products.....	8.6%		<u>100.0%</u>
Diagnostics.....	6.8%		

*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).

# Gabelli Pet Parents' Fund

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

Shares		Cost	Market Value	Shares		Cost	Market Value
<b>COMMON STOCKS — 94.4%</b>				<b>Retail — 2.8%</b>			
<b>Consumer Products — 5.8%</b>				1,250	CVS Health Corp.....	\$ 77,623	\$ 99,700
1,000	Oil-Dri Corp. of America.....	\$ 30,594	\$ 74,560	<b>TOTAL COMMON STOCKS .</b>			
1,500	Spectrum Brands Holdings Inc. ....	82,163	133,515			2,879,207	3,388,702
		<u>112,757</u>	<u>208,075</u>	<b>PREFERRED STOCKS — 3.8%</b>			
<b>Consumer Services — 4.6%</b>				<b>Retail — 3.8%</b>			
925	Amazon.com Inc.† .....	113,423	166,851	2,750	Qurate Retail Inc., 8.000%, 03/15/31.....	119,528	136,730
<b>Diagnostics — 6.8%</b>				<b>TOTAL INVESTMENTS —</b>			
450	IDEXX Laboratories Inc.† ....	151,571	242,969	<b>98.2% .....</b>	<b>\$ 2,998,735</b>		3,525,432
<b>Pet Food and Nutrition — 13.1%</b>				<b>Other Assets and Liabilities (Net) — 1.8%</b>			
50,000	BARK Inc.† .....	72,096	62,000				66,271
500	Colgate-Palmolive Co. ....	35,645	45,025	<b>NET ASSETS — 100.0% .....</b>			
2,600	Freshpet Inc.† .....	120,978	301,236			\$ 3,591,703	
600	Nestlé SA.....	59,609	63,702	† Non-income producing security.			
		<u>288,328</u>	<u>471,963</u>				
<b>Pet Healthcare — 20.5%</b>							
6,000	CVS Group plc .....	101,398	73,836				
15,500	Elanco Animal Health Inc.† .	215,076	252,340				
1,000	Patterson Cos. Inc.....	26,309	27,650				
73,000	Petco Health & Wellness Co. Inc.†.....	456,537	166,440				
1,000	Vetoquinol SA .....	103,320	107,346				
250	Virbac SACA.....	43,943	93,320				
100,000	Zomedica Corp.† .....	14,391	14,590				
		<u>960,974</u>	<u>735,522</u>				
<b>Pet Products — 8.6%</b>							
1,300	Central Garden & Pet Co.† ..	26,566	55,679				
325	Central Garden & Pet Co., Cl. A† .....	6,011	11,999				
9,000	Chewy Inc., Cl. A† .....	210,205	143,190				
500	Church & Dwight Co. Inc. ...	33,754	52,155				
300	The Clorox Co. ....	52,963	45,933				
		<u>329,499</u>	<u>308,956</u>				
<b>Pet Services — 19.2%</b>							
16,500	PetIQ Inc.†.....	133,582	301,620				
30,000	Pets at Home Group plc.....	69,026	101,628				
300	Tractor Supply Co.....	31,844	78,516				
7,500	Trupanion Inc.† .....	168,115	207,075				
		<u>402,567</u>	<u>688,839</u>				
<b>Pharmaceuticals — 13.0%</b>							
22,500	Animalcare Group plc .....	50,515	59,637				
5,000	Eco Animal Health Group plc†.....	19,871	5,396				
8,750	Phibro Animal Health Corp., Cl. A .....	153,770	113,137				
1,700	Zoetis Inc.....	218,309	287,657				
		<u>442,465</u>	<u>465,827</u>				

See accompanying notes to financial statements.

# Gabelli Pet Parents' Fund

## Statement of Assets and Liabilities March 31, 2024 (Unaudited)

<b>Assets:</b>	
Investments, at value (cost \$2,998,735) . . . . .	\$ 3,525,432
Cash . . . . .	50,322
Receivable from Adviser . . . . .	26,983
Dividends receivable . . . . .	1,419
Prepaid expenses . . . . .	19,713
<b>Total Assets</b> . . . . .	<u>3,623,869</u>
<b>Liabilities:</b>	
Payable for investment advisory fees . . . . .	3,035
Payable for distribution fees . . . . .	52
Payable for legal and audit fees . . . . .	24,851
Other accrued expenses . . . . .	4,228
<b>Total Liabilities</b> . . . . .	<u>32,166</u>
<b>Net Assets</b>	
(applicable to 284,569 shares outstanding) . . .	<u>\$ 3,591,703</u>
<b>Net Assets Consist of:</b>	
Paid-in capital . . . . .	\$ 3,633,278
Total accumulated loss . . . . .	(41,575)
<b>Net Assets</b> . . . . .	<u>\$ 3,591,703</u>
<b>Shares of Beneficial Interest, issued and outstanding, no par value; unlimited number of shares authorized:</b>	
<b>Class A:</b>	
Net Asset Value and redemption price per share (\$248,150 ÷ 19,712 shares outstanding) . . . .	<u>\$ 12.59</u>
Maximum offering price per share (NAV ÷ 0.9425, based on maximum sales charge of 5.75% of the offering price) . . . . .	<u>\$ 13.36</u>
<b>Class I:</b>	
Net Asset Value, offering, and redemption price per share (\$3,343,553 ÷ 264,857 shares outstanding) . . . . .	<u>\$ 12.62</u>

## Statement of Operations For the Six Months Ended March 31, 2024 (Unaudited)

<b>Investment Income:</b>	
Dividends . . . . .	\$ 24,907
Interest . . . . .	1,919
<b>Total Investment Income</b> . . . . .	<u>26,826</u>
<b>Expenses:</b>	
Investment advisory fees . . . . .	17,201
Distribution fees - Class A . . . . .	284
Shareholder communications expenses . . . . .	27,988
Legal and audit fees . . . . .	26,229
Registration expenses . . . . .	17,277
Trustees' fees . . . . .	16,206
Shareholder services fees . . . . .	3,342
Custodian fees . . . . .	556
Interest expense . . . . .	298
Miscellaneous expenses . . . . .	8,383
<b>Total Expenses</b> . . . . .	<u>117,764</u>
Less:	
Expense reimbursements (See Note 3) . . . . .	(101,700)
<b>Net Expenses</b> . . . . .	<u>16,064</u>
<b>Net Investment Income</b> . . . . .	<u>10,762</u>
<b>Net Realized and Unrealized Gain/(Loss) on Investments and Foreign Currency:</b>	
Net realized loss on investments . . . . .	(85,732)
Net realized gain on foreign currency transactions . . . . .	<u>140</u>
Net realized loss on investments and foreign currency transactions . . . . .	<u>(85,592)</u>
Net change in unrealized appreciation/depreciation: on investments . . . . .	487,474
on foreign currency translations . . . . .	<u>21</u>
Net change in unrealized appreciation/depreciation on investments and foreign currency translations . . . . .	<u>487,495</u>
<b>Net Realized and Unrealized Gain/(Loss) on Investments and Foreign Currency</b> . . . . .	<u>401,903</u>
<b>Net Increase in Net Assets Resulting from Operations</b> . . . . .	<u>\$ 412,665</u>

See accompanying notes to financial statements.

# Gabelli Pet Parents' 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 . . . . .	\$ 10,762	\$ 22,432
Net realized loss on investments and foreign currency transactions . . . . .	(85,592)	(431,745)
Net change in unrealized appreciation/depreciation on investments and foreign currency translations . . . . .	487,495	974,285
<b>Net Increase in Net Assets Resulting from Operations</b> . . . . .	<u>412,665</u>	<u>564,972</u>
<b>Distributions to Shareholders:</b>		
Accumulated earnings		
Class A . . . . .	(1,059)	(202)
Class I . . . . .	<u>(22,869)</u>	<u>(3,878)</u>
<b>Total Distributions to Shareholders</b> . . . . .	<u>(23,928)</u>	<u>(4,080)</u>
<b>Shares of Beneficial Interest Transactions:</b>		
Class A . . . . .	4,064	26,858
Class I . . . . .	<u>(236,781)</u>	<u>(765,179)</u>
<b>Net Decrease in Net Assets from Shares of Beneficial Interest Transactions</b> . . .	<u>(232,717)</u>	<u>(738,321)</u>
<b>Net Increase/(Decrease) in Net Assets</b> . . . . .	156,020	(177,429)
<b>Net Assets:</b>		
Beginning of year . . . . .	3,435,683	3,613,112
End of period . . . . .	<u>\$ 3,591,703</u>	<u>\$ 3,435,683</u>

See accompanying notes to financial statements.



# Gabelli Pet Parents' Fund

## Financial Highlights

Selected data for a share of beneficial interest outstanding throughout each period:

Period Ended September 30 (a)	Income (Loss) from Investment Operations				Distributions			Ratios to Average Net Assets/Supplemental Data						
	Net Asset Value, Beginning of Period	Net Investment Income (Loss)(b)	Net Realized and Unrealized Gain (Loss) on Investments	Total from Investment Operations	Net Investment Income	Net Realized Gain on Investments	Total Distributions	Net Asset Value, End of Period	Total Return†	Net Assets, End of Period (in 000's)	Net Investment Income (Loss)	Operating Expenses Before Reimbursement	Operating Expenses Net of Reimbursement	Portfolio Turnover Rate
<b>Class A</b>														
2024(c)	\$ 11.17	\$ 0.02	\$ 1.46	\$ 1.48	\$ (0.06)	\$ —	\$ (0.06)	\$ 12.59	13.28%	\$ 248	0.40%(d)	7.08%(d)	1.17%(d)	6%
2023	9.71	0.04	1.43	1.47	—	(0.01)	(0.01)	11.17	15.16	219	0.35	5.86	1.15	26
2022(e)	12.03	(0.01)	(2.31)	(2.32)	—	—	—	9.71	(19.29)	165	(0.22)(d)	11.53(d)	1.15(d)	22
<b>Class I</b>														
2024(c)	\$ 11.22	\$ 0.04	\$ 1.45	\$ 1.49	\$ (0.09)	\$ —	\$ (0.09)	\$ 12.62	13.33%	\$ 3,344	0.64%(d)	6.83%(d)	0.92%(d)	6%
2023	9.73	0.07	1.43	1.50	—	(0.01)	(0.01)	11.22	15.43	3,217	0.61	5.61	0.90	26
2022	17.14	(0.03)	(6.01)	(6.04)	—	(1.37)	(1.37)	9.73	(38.23)	3,448	(0.24)	4.91	0.90	22
2021	13.14	(0.07)	4.07	4.00	—	—	—	17.14	30.44	5,785	(0.43)	4.04	0.90	29
2020	8.94	(0.02)	4.25	4.23	(0.03)	—	(0.03)	13.14	47.51	2,913	(0.18)	6.95	0.90	40
2019	10.35	0.04	(1.42)	(1.38)	(0.03)	—	(0.03)	8.94	(13.39)	1,626	0.46	7.48	0.90	65

† 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) Information prior to April 1, 2019 is from Gabelli Pet Parents' NextShares.

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

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

(d) Annualized.

(e) Class A commenced on May 17, 2022.

## Gabelli Pet Parents' Fund

### Notes to Financial Statements (Unaudited)

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**1. Organization.** The Gabelli Pet Parents' Fund is a series of the Gabelli Innovations Trust that was organized on December 6, 2018 as a Delaware statutory trust and commenced investment operations on April 1, 2019. The Fund is a series successor to the Gabelli Pet Parents'™ NextShares within the Gabelli NextShares Trust that was organized as a Delaware statutory trust on March 20, 2015 and commenced investment operations on December 1, 2016. The Fund is a non-diversified open-end management investment company registered under the Investment Company Act of 1940, as amended (the 1940 Act).

The Fund's investment objective is capital appreciation. Under normal market conditions, the Fund invests at least 80% of its net assets in common and preferred shares of publicly traded domestic and foreign companies of all capitalization ranges in the pet industry. The pet industry includes companies that offer services and products for pets and pet owners (Pet Parents). Such companies will generally derive at least 50% of their revenues or profits from, or will devote at least 50% of their assets to the following sectors: manufacturers and distributors of pet food, pet supplies, veterinary pharmaceuticals, veterinary wellness, veterinary and other pet services, pet equipment, pet toys, and products and services that support Pet Parents regarding their pet activities.

**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 Trustees (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 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.

Gabelli Pet Parents’ Fund

Notes to Financial Statements (Unaudited) (Continued)

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 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*	Investments In Securities (Market Value)
Level 1 - Quoted Prices	\$3,525,432

\* Portfolio holdings designated in Level 1 are disclosed individually in the Schedule of Investments (SOI). Please refer to the SOI 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,

## Gabelli Pet Parents' Fund

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

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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 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.

Gabelli Pet Parents’ Fund

Notes to Financial Statements (Unaudited) (Continued)

**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 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.

**Distributions to Shareholders.** Distributions to shareholders are recorded on the ex-dividend date. Distributions to shareholders are 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 held by the Fund, 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 as follows:

<b>Distributions paid from:</b>	
Ordinary income . . . . .	\$ 4,080
Total distributions paid. . . . .	<u>\$ 4,080</u>

**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 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 . . . . .	\$3,004,394	\$983,605	\$(462,567)	\$521,038

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

## Gabelli Pet Parents' Fund

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

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 Trustees of the Fund who are affiliated persons of the Adviser.

The Adviser has contractually agreed to waive its investment advisory fee and/or reimburse expenses to the extent necessary to maintain the total operating expenses (excluding brokerage costs, acquired fund fees and expenses, interest, taxes, and extraordinary expenses until at least January 31, 2025 at no more than 1.15% and 0.90%, respectively, of Class A and Class I Shares' average daily net assets. In addition, the Fund has agreed, during the three year period following any waiver or reimbursement by the Adviser, to repay such amount to the extent, that after giving the effect to the repayment, such adjusted annualized total operating expenses of the Fund would not exceed 1.15% and 0.90%, respectively, of Class A and Class I Shares' average daily net assets. The agreement is renewable annually. At March 31, 2024, the cumulative amount which the Fund may repay the Adviser, subject to the terms above, is \$629,752.

For the fiscal year ended September 30, 2021, expiring September 30, 2024 . . .	\$	149,646
For the fiscal year ended September 30, 2022, expiring September 30, 2025 . . .		200,031
For the fiscal year ended September 30, 2023, expiring September 30, 2026 . . .		178,375
For the six months ended March 31, 2024, expiring September 30, 2027 . . . . .		101,700
	<u>\$</u>	<u>629,752</u>

**4. Distribution Plan.** The Fund's Board has adopted a distribution plan (the Plan) for Class A Shares pursuant to Rule 12b-1 under the 1940 Act. Under the Class A Share Plan, payment is authorized to G.distributors, LLC (the Distributor), an affiliate of the Adviser, at an annual rate of 0.25% of the average daily net assets of Class A Shares, the annual limitation under the 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 \$197,261 and \$477,845, respectively.

**6. Transactions with Affiliates and Other Arrangements.** The cost of calculating the Fund's NAV per share is a Fund expense pursuant to the Advisory Agreement. Under the sub-administration agreement with Bank of New York Mellon, the fees paid include the cost of calculating the Fund's NAV. The Fund reimburses the Adviser for this service. The Adviser did not seek a reimbursement during the six months ended March 31, 2024.

The Trust pays retainer and per meeting fees to Trustees not affiliated with the Adviser, plus specified amounts to the Lead Trustee and Audit Committee Chairman. Trustees are also reimbursed for out of pocket expenses

## Gabelli Pet Parents' Fund

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

incurred in attending meetings. Trustees who are directors or employees of the Adviser or an affiliated company receive no compensation or expense reimbursement from the Fund.

**7. Significant Shareholder.** As of March 31, 2024, 40.5% of the Fund was beneficially owned by the Adviser and its affiliates, including managed accounts for which the affiliates of the Adviser have voting control but disclaim pecuniary interest.

**8. Shares of Beneficial Interest.** The Fund offers two classes of shares – Class A Shares and Class I Shares. Class A Shares are subject to a maximum front-end sales charge of 5.75%. Class I Shares are offered without a sales charge.

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.

Transactions in shares of beneficial interest were as follows:

	Six Months Ended March 31, 2024 (Unaudited)		Year Ended September 30, 2023	
	Shares	Amount	Shares	Amount
<b>Class A</b>				
Shares sold . . . . .	1,293	\$ 15,378	2,512	\$ 26,725
Shares issued upon reinvestment of distributions. . . . .	94	1,059	19	202
Shares redeemed . . . . .	(1,230)	(12,373)	(6)	(69)
Net increase . . . . .	157	\$ 4,064	2,525	\$ 26,858
<b>Class I</b>				
Shares sold . . . . .	1,394	\$ 16,527	11,485	\$ 129,782
Shares issued upon reinvestment of distributions. . . . .	1,571	17,728	358	3,814
Shares redeemed . . . . .	(24,931)	(271,036)	(79,467)	(898,775)
Net (decrease) . . . . .	(21,966)	\$ (236,781)	(67,624)	\$ (765,179)

**9. 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.

**10. 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.



## **Gabelli Pet Parents' Fund**

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

Section 15(c) of the 1940 Act contemplates that the Board of Trustees (the Board) of the Fund, including a majority of the Trustees who have no direct or indirect interest in the investment management agreement and are not interested persons of the Trust, as defined in the 1940 Act (the Independent Board Members), are required annually to review and re-approve the terms of the Fund's existing Management Agreement (the Agreement) and approve any newly proposed terms therein. At a meeting held on November 14, 2023, the Board, including the Independent Board Members, considered the factors and reached the conclusions described below relating to the selection of the Manager and the re-approval of the Management Agreement.

In determining whether to approve the continuance of the Management Agreement, the Board Members considered the following information:

#### **1) The nature, extent and quality of services provided by the Adviser.**

The Board reviewed in detail the nature and extent of the services provided by the Adviser under the Advisory Agreements and the quality of those services over the past year. The Board noted that these services included managing the investment program of the Fund, including the purchase and sale of portfolio securities, as well as the provision of general corporate services. The Board considered that the Adviser also provided, at its expense, office facilities for use by the Fund and supervisory personnel responsible for supervising the performance of administrative, accounting and related services including, for the Funds, monitoring to assure compliance with stated investment policies and restrictions under the 1940 Act and related securities regulations. The Board noted that, in addition to managing the investment program for the Fund, the Adviser provided certain non-advisory and compliance services, including services under the Fund's Rule 38a-1 compliance program.

The Board also considered that the Adviser paid for all compensation of officers and Board Members of the Fund who are affiliated with the Adviser. The Board evaluated these factors based on its direct experience with the Adviser and in consultation with Fund Counsel. The Board noted that the Adviser, at its own expense, had engaged, BNY to assist it in performing certain of its administrative functions. The Board concluded that the nature and extent of the services provided was reasonable and appropriate in relation to the advisory fee, that the level of services provided by the Adviser, either directly or through BNY, had not diminished over the past year and that the quality of service continued to be high.

The Board reviewed the personnel responsible for providing services to the Funds and concluded, based on their experience and interaction with the Adviser, that: (i) the Adviser was able to retain quality personnel; (ii) the Adviser and its agents exhibited a high level of diligence and attention to detail in carrying out their advisory and administrative responsibilities under the Agreements; (iii) the Adviser was responsive to requests of the Board; (iv) the scope and depth of the Adviser's resources was adequate; and (v) the Adviser had kept the Board apprised of developments relating to the Funds and the industry in general. The Board also focused on the Adviser's reputation and long-standing relationship with the Funds. The Board also believed that the Adviser had devoted substantial resources and made substantial commitments to address new regulatory compliance requirements applicable to the Fund.

#### **2) The performance of the Fund and the Adviser.**

The Board reviewed the investment performance of the Fund, on an absolute basis, as compared with a Broadridge peer group of other SEC registered funds, and against the Fund's broad-based securities market



## **Gabelli Pet Parents' Fund**

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

benchmarks as reflected in the Fund's prospectus and annual report. The peer groups considered by the Board were developed by Broadridge and, for the Fund, were comprised of funds within the same Broadridge peer group category (each, a Performance Peer Group, and together, the Performance Peer Groups), regardless of asset size or primary channel of distribution. The Board considered the Fund's one and three years average total returns for the period ended September 30, 2023, against the average total returns and the median total returns of its Performance Peer Group. The Fund's performance against the Performance Peer Group was considered by the Board as providing an objective comparative benchmark against which the Fund's performance could be assessed. In general, the Board considered these comparisons helpful in their assessment as to whether the Adviser was obtaining for the Fund's shareholders the total return performance that was available in the marketplace, given the Fund's investment objectives, strategies, limitations, and restrictions. In reviewing the Fund's performance, the Board noted that the Fund's performance was above the median for the one and three year periods. The Board Members concluded that the the Fund's performance was reasonable in comparison to that of the Performance Peer Group.

In connection with its assessment of the performance of the Adviser, the Board considered the Adviser's financial condition and whether it had the resources necessary to continue to carry out its responsibilities under the Agreements. The Board concluded that the Adviser had the financial resources necessary to continue to perform its obligations under the Agreements and to continue to provide the high quality services that it has provided to the Funds to date.

#### **3) The cost of the advisory services and the profits to the Adviser and its affiliates from the relationship with the Funds.**

In connection with the Board's consideration of the cost of the advisory services and the profits to the Adviser and its affiliates from their relationship with the Funds, the Board considered a number of factors. First, the Board compared the level of the advisory fee for the Funds against comparative Broadridge expense peer group (the Expense Peer Group). The Board also considered comparative non-advisory fee expenses and comparative total fund expenses of the Fund and the Expense Peer Groups. The Board considered this information as useful in assessing whether the Adviser was providing services at a cost that was competitive with other similar funds. In assessing this information, the Board considered both the comparative contract rates as well as the level of the advisory fees after waivers and/or reimbursements. The Board noted that the Fund operated pursuant to an Expense Limitation Agreement with the Adviser wherein the Adviser had agreed to limit a portion of its fee or reimburse the Fund for a portion of its expenses necessary to limit the Fund's total operating expenses to the level set forth in its prospectus. The Board noted that, for the fiscal year ended September 30, 2023, the total expense ratio for the Fund was above the median of its Expense Peer Group and that the effective advisory fee for the Fund was below the median of its Expense Peer Group.

The Board also reviewed the fees charged by the Adviser to provide similar advisory services to other registered investment companies with similar investment objectives and to separate accounts, noting that in some cases the fees charged by the Adviser were higher and, in other cases lower than the fees charged to the Funds. In evaluating this information, the Board considered the difference in services provided by the Adviser to these other accounts. In particular, the Board considered the differences in risks involved in managing separate accounts and the Funds from a compliance and regulatory perspective.

## **Gabelli Pet Parents' Fund**

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

The Board also considered an analysis prepared by the Adviser of the estimated profitability to the Adviser of its relationship with the Fund and reviewed with the Adviser its cost allocation methodology in connection with its profitability. In this regard, the Board reviewed pro forma income statements of the Adviser for the year ended December 31, 2022. The Board considered one analysis for the Adviser as a whole, and a second analysis for the Adviser with respect to the Fund. With respect to the analysis of the Fund, the Board received an analysis based on the Fund's average net assets during the period as well as a pro forma analysis of profitability at higher and lower asset levels. The Board concluded that the profitability of the Fund to the Adviser under either analysis was not excessive.

#### **4) The extent to which economies of scale will be realized as the Funds grow and whether fee levels reflect those economies of scale.**

With respect to the Board's consideration of economies of scale, the Board discussed whether economies of scale would be realized by the Fund at higher asset levels. The Board also reviewed data from the Expense Peer Groups to assess whether the funds in the Expense Peer Groups had advisory fee breakpoints and, if so, at what asset levels. The Board also assessed whether certain of the Adviser's costs would increase if asset levels rise. The Board concluded that, under foreseeable conditions, they were unable to assess at this time whether economies of scale would be realized if the Fund were to experience significant asset growth. In the event there was to be significant asset growth, the Board determined to reassess whether the advisory fee appropriately took into account any economies of scale that had been realized as a result of that growth.

#### **5) Other Factors.**

In addition to the above factors, the Board also discussed other benefits received by the Adviser from its management of the Fund. The Board considered that the Adviser does use soft dollars in connection with its management of the Fund.

Based on a consideration of all these factors in their totality, the Board Members, including all of the Independent Board Members, determined that the Funds' advisory fee was fair and reasonable with respect to 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 PET PARENTS' FUND**  
**One Corporate Center**  
**Rye, NY 10580-1422**

**Portfolio Manager's Biography**

**Daniel M. Miller** currently serves as a portfolio manager of Gabelli Funds, LLC and is also a Managing Director of GAMCO Investors, Inc. Mr. Miller joined the Firm in 2002 and graduated magna cum laude with a degree in Finance from the University of Miami in Coral Gables, Florida.

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GABELLI  
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# GABELLI PET PARENTS'™ FUND

*Semiannual Report  
March 31, 2024*