

GAM Funds

Interim Report

for the period ended 30 June 2022 (unaudited)

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*These reports with the addition of the fund review section and portfolio statement of each sub-fund comprise the Authorised Director's Report.

Directory

Board of the Authorised Corporate Director

Kaspar Boehni

Director, GAM Sterling Management Limited

Simon Ellis

Independent Non-Executive Director

Sybille Hofmann

Independent Non-Executive Director

Andrew Pratt

UK Financial Controller, GAM Sterling Management Limited
(Resigned 22 March 2022)

Charles Naylor

Director, GAM Sterling Management Limited

Authorised Corporate Director and Registrar

GAM Sterling Management Limited
8 Finsbury Circus, London EC2M 7GB, United Kingdom
(Authorised and Regulated by the Financial Conduct Authority)

Investment Adviser

GAM International Management Limited
8 Finsbury Circus, London EC2M 7GB, United Kingdom
(Authorised and Regulated by the Financial Conduct Authority)

**Delegate Investment Adviser in respect of
GAM Credit Opportunities (GBP)**

Atlanticomnium SA
24 Route de Malagnou, Case Postale 330
CH-1211 Geneva 17, Switzerland
(regulated by the Swiss FINMA)

Depository

State Street Trustees Limited
20 Churchill Place, London E14 5HJ, United Kingdom
(Authorised and Regulated by the Financial Conduct Authority)

Independent Auditors

PricewaterhouseCoopers
One Spencer Dock, North Wall Quay, Dublin 1, D01 X9R7, Ireland

Administrator

State Street Bank and Trust Company, London Branch
20 Churchill Place, London E14 5HJ, United Kingdom
(Authorised and Regulated by the Financial Conduct Authority)

Transfer Agent and Facilities Agent in Ireland

GAM Fund Management Limited
54-62 Townsend Street, Dublin 2, D02 R156, Ireland

Authorised Corporate Director's Report

The Authorised Corporate Director ("ACD") presents its report and unaudited interim report for the period to 30 June 2022.

GAM Funds (the "Company") is an investment company with variable capital established as an umbrella company and incorporated under The Open-Ended Investment Companies Regulations 2001 (the "OEIC Regulations"). It is a "UCITS scheme" for the purposes of the FCA Collective Investments Scheme Sourcebook (the "FCA Regulations"). The Company is incorporated in England and Wales with registered number IC000001. The head office of the Company is at 8 Finsbury Circus, London, EC2M 7GB. The Company was authorised by an order made by the Financial Services Authority (the predecessor to the FCA) with effect from 2 May 1997. GAM Funds is structured as an umbrella company, consisting of various sub-funds ("Funds"). The shareholders will not be liable for the debts of the Company.

The ACD of the Company is GAM Sterling Management Limited, which is authorised and regulated by the FCA. The ACD is a subsidiary of GAM (U.K.) Limited, whose ultimate parent company is GAM Holding AG.

Prices are published daily on www.gam.com/gb/en/financial-intermediary

In accordance with the Statement of Recommended Practice ("SORP"), for Financial Statements of Authorised Funds issued by the Investment Association ("IA"), comparative figures for the Statement of Total Return and Statement of Change in Net Assets attributable to Shareholders are for the interim ended 30 June 2021 and the comparative figures for the Balance Sheet and the Portfolio Statement are for the year ended 31 December 2021.

This report is signed in accordance with the requirements of the Collective Investment Schemes Sourcebook as issued and amended by the FCA.



Director

26 August 2022

Sybille Hofmann

Director

Investment Objectives and Policy

The investment objective and policy of each Fund is set out below. The base currency of each Fund is Pound sterling.

GAM Disruptive Growth

(formally known as GAM Global Diversified)

The objective of the Fund is to provide capital appreciation. The Fund invests at least two thirds of its assets in shares and other equity securities and equity rights issued anywhere in the world.

GAM North American Growth

(This Fund merged into GAM Disruptive Growth (formerly GAM Global Diversified) on 13 June 2022 and is no longer available for investment.) The objective of the Fund is to provide capital growth. At least 65% of the Fund's investments are in a concentrated portfolio of North American equities.

GAM UK Diversified

(This Fund merged into GAM UK Equity Income on 2 August 2018 and is no longer available for investment.)

The objective of the Fund was to provide capital appreciation, primarily through investment in quoted securities in the UK.

GAM Credit Opportunities (GBP)

The objective of the Fund is to provide capital appreciation by investing at least 85 per cent of its net assets in the master fund, GAM Star Credit Opportunities (GBP), the investment objective of which is to achieve long-term capital gain in Sterling.

GAM Continental European Equity

The objective of the Fund is to invest at least two thirds of its assets in shares and equity related securities (such as warrants) of companies listed on or dealt in Eligible Markets within the European Union which are issued by companies which are headquartered in the European Union. Such investments may be made directly or indirectly through collective investment schemes and derivatives.

GAM UK Equity Income

The objective of the Fund is to provide income. The Fund also seeks to achieve capital appreciation. The Fund invests at least two thirds of its assets in UK equities, including ordinary shares and preference shares, without restrictions either by company, size or industry. UK equities are shares of companies that are domiciled, incorporated or have a significant portion of their business in the UK. This condition must be met in addition to the investments being listed on a stock exchange in the UK.

General

The Funds are segregated portfolios of assets and, accordingly, the assets of a Fund belong exclusively to that Fund and shall not be used to discharge directly or indirectly the liabilities of, or claims against, any other person or body, including the Company or any other Fund, and shall not be available for any such purpose.

Unless indicated to the contrary on the Portfolio Statement of each Fund, all equity investments referred to in this report are securities admitted to an official stock exchange listing.

As at 30 June 2022 none of the Funds held holdings of another Fund of the Company.

Assessment of Value

The Assessment of Value report for each Fund of the Company as required by the FCA is available to shareholders to view on www.gam.com/media/3061957/gam-value_report_202104_en_online.pdf.

Summary of Significant Accounting policies applicable to all Funds

General Information

GAM Funds (the “Company”) is an open-ended investment company and was incorporated on 2 May 1997 and under the laws of England and Wales. The address of the Authorised Corporate Director (ACD) is at 8 Finsbury Circus, London, EC2M 7GB., United Kingdom.

(a) Basis of Accounting

The Financial Statements, which comprise the Statement of Total Return, Statement of Change in Net Assets Attributable to Shareholders, Balance Sheet, Portfolio Statements, have been prepared under the historical cost basis, as modified by the revaluation of investments, except for GAM UK Diversified and GAM North American Growth, which have been prepared on a non-going concern basis, and in accordance with United Kingdom generally accepted accounting principles, the Statement of Recommended Practice (“SORP”) for Authorised Funds issued by the Investment Association in May 2014, and Collective Investment Scheme Sourcebook as issued and amended by the Financial Conduct Authority (“FCA”).

(b) Basis of Valuation of Investments

Recognition/Derecognition

Purchases and sales are initially recognised on trade date – the date on which the Company commits to purchase or sell the asset. Investments are derecognised when the rights to receive the cash flows from the investments have expired or the Company has transferred substantially all risks and rewards of ownership.

Measurement

The investments of the Funds have been valued at bid prices as at 23:00 (GMT) on 30 June 2022. For unquoted securities, where no market quotation is available, such investments will be valued based on the probable realisation value estimated by the ACD on a basis which it considers fair and reasonable. Any unquoted securities have been ruled as such on the portfolio statement of each Fund.

(c) Revenue Recognition

All dividends on investments quoted ex dividend up to the accounting date are included in the Statement of Total Return. Bank and other interest receivable is accrued up to this date. Income is shown gross of any non-recoverable withholding taxes, which is disclosed separately and net of attributable tax credits.

(d) Foreign Currencies

Foreign currency transactions completed during the period are translated at the rate ruling at the date of the transaction.

Assets and liabilities in foreign currencies are expressed in Pound sterling at the rate of exchange ruling at the balance sheet date.

The following rates of exchange have been used at the period end:

	30 June 2022	31 December 2021
Australian dollar	1.7661	1.8588
Canadian dollar	1.5666	1.7164
Danish krone	8.6388	8.8545
Euro	1.1617	1.1906
Hong Kong dollar	9.5297	10.5091
Japanese yen	164.9891	155.1357
New Zealand dollar	1.9533	1.9726
Norwegian krone	11.9985	11.8924
South African rand	19.8957	21.4925
Swedish krona	12.4450	12.2107
Swiss franc	1.1627	1.2304
Thai baht	42.9369	45.0166
US dollar	1.2145	1.3476

(e) Expenses

Management expenses are charged against income and used in determining any distribution. All net income will be distributed after expenses at period end, with the exception of GAM UK Equity Income which charges Management expenses to capital.

Where Funds invest in holdings managed by a GAM group entity, the ACD shall ensure that a reimbursement of fees is made such that there is no double charging to investors. These ACD reimbursements effectively cap the ACD rate at the advertised ACD rate published in the company prospectus.

(f) Revenue

All the income of the Funds after deduction of expenses, will be allocated between holders of income and accumulation shares in accordance with their respective interests. Scrip dividends form part of income for tax purposes but are not included in the interim period distribution calculations in accordance with the Collective Investment Scheme Sourcebook.

(g) Taxation

Deferred tax is accounted for on an undiscounted basis at expected tax rates on all differences arising from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements. A deferred tax asset is only recognised when it is more likely than not that the asset will be recoverable in the foreseeable future out of suitable taxable profits from which the underlying timing differences can be deducted.

(h) Foreign Currency Contracts

A forward currency contract obligates the Fund to receive or deliver a fixed quantity of foreign currency at a specified price on an agreed future date. These contracts are valued at the forward rate and the Fund’s equity therein, representing unrealised gains or losses on the contracts is included in investments. Realised gains and losses are included in the Statement of Total Return.

(i) Underwriting Commission

Underwriting commissions are accounted for when the issue underwritten takes place.

(j) Distribution Policy

The distribution policy of the Funds is to distribute/accumulate all available revenue, after deduction of expenses properly chargeable against revenue. The Funds pay their annual distribution at the end of February, the GAM UK Equity Income also makes an interim distribution which is paid at the end of August.

(k) Equalisation

Equalisation applies to shares purchased within the distribution period (Group 2 shares). It represents the income accrued as at the date of purchase and forms part of the purchase price of the shares. This is returned to the investor, after averaging, as a capital payment with the distribution. It is not liable to income tax but can be deducted from the cost of the shares for capital gains tax purposes.

(l) Transaction Costs

Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of an investment. These costs include fees and commissions paid to agents, advisers, brokers and dealers. Investments in financial instruments include transaction costs which form part of the net capital gains/losses.

(m) Cash and Bank Overdrafts

Cash and cash equivalents and bank overdraft comprises cash and foreign currency on deposit with the Depositary and counterparties with original maturities of less than three months.

(n) Receivable for investments sold and payable for investments purchased

Receivable for investments sold and payable for investments purchased represent amounts receivable and payable respectively, for transactions contracted for but not yet delivered at the end of the interim period. These amounts are included in the Balance Sheet.

o) Issue and Redemption of Shares

Shares can be purchased on completion of an application form available from the Transfer Agent upon request and returned on any dealing day. Dealings are at forward prices i.e. at a price calculated by reference to the next valuation following acceptance of the application. Applications must be received by the Transfer Agent prior to 12:00 noon (UK time) on the relevant dealing day in respect of each Fund with the exception of GAM Credit Opportunities (GBP) which needs to be prior to 10:00am (UK time) and unless the ACD otherwise agrees, payments for shares in the Company must be received by 11:00am (UK time) on the relevant dealing day in respect of each Fund with exception of GAM Credit Opportunities (GBP) which needs to be prior to 9:00am (UK time). Shares can be redeemed during any dealing day. Dealings are at forward prices as explained in the paragraph above.

Shares to be redeemed pursuant to a redemption request received on or before 12:00 noon (UK time) on a dealing day in respect of each Fund with the exception of GAM Credit Opportunities (GBP) which needs to be prior to 10:00am (UK time) (each time in relation to each Fund being the "Cut-Off Point") will be redeemed at a price based on that dealing days valuation and shares to be redeemed pursuant to a redemption request received after that time, or on a day which is not a dealing day, at a price based on the valuation made on the next dealing day. GAM UK Diversified and GAM North American Growth are no longer available for investment.

Commentary

Market environment and performance

The MSCI World Growth Index (GBP) returned -20.5% over the first half of 2022. An already uncertain macroeconomic scenario at the beginning of the year was compounded by the Russia-Ukraine conflict which drove up energy prices and further disrupted supply chains already hit by Covid lockdowns. Recessionary concerns dominated sentiment as central banks grew more hawkish on interest rates and downgraded growth outlooks, with worse than expected inflation data in June offering no relief. In this environment, long duration assets suffered.

The GAM Global Diversified fund was repositioned as GAM Disruptive Growth, effective from 31 January. Over the period from 31 January to 30 June 2022, GAM Disruptive Growth lost -18.0% (GBP, Inst). In February, positive relative performance came from stock selections in financials, communication services and consumer discretionary but this was offset by selections in IT and healthcare. March's positive relative performance came from not holding any stocks in consumer staples and utilities. However, this was offset by selections in other sectors, IT and industrials being the worst relative to the index.

On a stock specific basis, February saw Li Auto contribute strongly on the back of quarter four earnings which showed impressive sales growth coupled with a significant earnings beat. EPAM Systems was the biggest detractor in February as the company withdrew its quarter one and 2022 guidance, citing heightened uncertainties as a result of the Russia-Ukraine conflict, before recovering in March with a positive return of +42.8%.

In April, the fund's largest negative contribution came from an overweight position in Coinbase as risky assets, including cryptocurrencies, extended losses. Netflix was another detractor for the month as the company reported a substantial subscriber loss in quarter one. The largest positive contribution came from non-ownership of Amazon as the company posted a significant miss in earnings and was also caught up in the sell-off in streaming services.

In May, the largest positive contribution came from a position in Qingdao AlInnovation while non-ownership of Apple was also a positive contributor as mega-cap technology names led the sell-off in the S&P 500 Index in the month. Non-ownership of Tesla also contributed positively. Meanwhile, the biggest detractor to performance was an overweight in Expedia as its results marginally missed expectations.

Positioning and outlook

We believe the outlook for growth equities for the second half of 2022 and beyond is bright. As we have seen in previous cycles, duration is often hit hardest and fastest in times of volatility and concern, particularly when economic growth is considered at risk. It is a misplaced view that then suggests that where economic growth goes, so do growth equities. Past cycles have shown clearly that genuinely disruptive growth companies can grow successfully through downturns and can end up recovering fastest and quickest too. Positioning has become extreme in this downturn, in our view.

The BofA Fund Manager Survey shows that investors' risk levels are down to those not seen since the Lehman Crisis. This is surely extreme? As a result, and according to Goldman Sachs, their basket of non-profitable disruptive names has fallen to 1.8x EV/Sales. That is lower than the 2.2x registered at the trough following the Covid outbreak in March 2020. At the same time, their basket of expensive software as a service (SaaS) names trades at approximately 10x revenues, again moderate by the standards of the past few years. We have started to see private equity circling the public markets with take-privates. Zendesk was taken private in July and rumours abound that New Relic has been approached too. It is reminiscent of the second quarter of 2016 when takeover activity surged. At that time, Marc Benihoff of Salesforce said, "We've never seen more deals". The market was, at that point, in a mini trough with software languishing after a sharp quarter one sell-off when investors could not run away fast enough.

We believe that valuations are very compelling, that the right growth businesses will grow through any downturn and that there will be substantial returns to be made from these levels. The only uncertainty, in our view, surrounds the exact timing and depth of any further falls, not the ultimate return profiles. For this reason, we believe it makes sense to start buying quality disruptive names at attractive prices in anticipation of the longer term opportunity. As Warren Buffett said, "Be fearful when others are greedy, be greedy when others are fearful."

4 August 2022

Portfolio Analysis

Analysis, by geographical area	30 June 2022 %	31 December 2021 %
United States	65.02	72.22
China	12.81	6.56
Israel	5.04	2.95
United Kingdom	4.52	3.49
Germany	2.80	1.02
Japan	1.27	9.30
Denmark	0.62	–
Canada	0.50	–
Switzerland	–	1.89
Forward Currency Contracts	–	(0.07)
Net other assets	7.42	2.64
Total net assets	100.00	100.00

Analysis, by industry sector	30 June 2022 %	31 December 2021 %
Software & Services	29.36	17.75
Technology Hardware & Equipment	11.94	12.45
Health Care Equipment & Services	8.05	9.11
Consumer Services	7.06	6.11
Diversified Financials	6.03	5.07
Media & Entertainment	5.58	7.91
Retailing	4.94	–
Telecommunication Services	4.49	4.12
Capital Goods	4.29	3.52
Consumer Durables & Apparel	2.57	13.63
Semiconductors & Semiconductor Equipment	2.22	5.84
Automobiles & Components	1.95	3.20
Transportation	1.02	3.68
Pharmaceuticals & Biotechnology	0.88	1.15
Real Estate	0.84	–
Banks	0.84	2.49
Materials	0.52	1.40
Forward Currency Contracts	–	(0.07)
Net other assets	7.42	2.64
Total net assets	100.00	100.00

Analysis, by investment	30 June 2022 %	31 December 2021 %
Equity Quoted	92.39	97.23
Unquoted equities	0.19	0.20
Forward currency contracts	–	(0.07)
Net other assets	7.42	2.64
Total net assets	100.00	100.00

Risk and Reward Profile



The risk indicator is based on the volatility of the Fund's performance over the last 5 years. Where 5 years' performance history is not available the data is supplemented by proxy fund, benchmark data or a simulated historical series as appropriate.

- The Fund is assigned to the above category based on its historical fluctuations in value.
- The indicator helps investors to have a better understanding of the potential gains and losses related with the Fund. In this context, even the lowest category does not represent a risk-free investment.
- This profile is determined using historical data, as such may not be a reliable indication for the future risk profile. It is not guaranteed and may shift over time.
- This allocation to a risk category may change over time because the future performance of the Fund may fluctuate differently from in the past.
- The Fund does not offer the investor a guaranteed return. Nor does it guarantee the fixed repayment of the money invested in the Fund by the investor.

Further risks that may have a significant effect on the net asset value of the Fund include:

- **Counterparty/Derivatives Risk:** if a counterparty to a financial derivative contract were to default, the value of the contract, the cost to replace it and any cash or securities held by the counterparty to facilitate it, may be lost.
- **Special Country Risk/China:** changes in China's political, social or economic policies may significantly affect the value of the Fund's investments. China's tax law is also applied under policies that may change without notice and with retrospective effect.
- **Capital at Risk:** all financial investments involve an element of risk. Therefore, the value of the investment and the income from it will vary and the initial investment amount cannot be guaranteed.
- **Investment Positions:** positions may increase in size relative to the size of the Fund. The risk is monitored by regularly adapting positions.
- **Equity:** investments in equities (directly or indirectly via derivatives) may be subject to significant fluctuations in value.

The "Investment Objectives and Policy" section of the Prospectus for this Fund give you more details about all the risks for the Fund.

GAM Disruptive Growth

Portfolio Statement

as at 30 June 2022

Holdings	Description	Market Value £'000	% of Net Assets
United States 65.02% (December 2021: 72.22%)			
26,873	Microsoft	5,776	6.22
2,809	Alphabet	5,182	5.58
54,690	PTC	4,837	5.21
73,160	Seagate Technology	4,319	4.65
42,830	Akamai Technologies	3,259	3.51
92,720	Sensata Technologies	3,203	3.45
17,425	Intuitive Surgical	2,915	3.14
30,280	Omniceil	2,881	3.10
108,210	Pure Storage	2,316	2.50
8,664	EPAM Systems	2,199	2.37
5,430	ServiceNow	2,143	2.31
26,530	Expedia	2,103	2.27
56,170	Marvell Technology	2,056	2.22
103,050	NortonLifeLock	1,898	2.04
11,400	Meta Platforms	1,543	1.66
37,777	Cloudflare	1,431	1.54
42,970	ROBLOX	1,207	1.30
9,687	Keysight Technologies	1,109	1.20
34,600	AppLovin	1,016	1.09
2,259	Thermo Fisher Scientific	1,000	1.08
19,130	Trimble	934	1.01
6,360	Crowdstrike	924	1.00
22,330	Coinbase Global	917	0.99
16,500	Silvergate Capital	784	0.84
9,902	Okta	763	0.82
16,910	Pegasystems	686	0.74
8,760	Airbnb	680	0.73
129,360	GoodRx	673	0.73
4,210	NVIDIA	540	0.58
1,510	Adobe	460	0.50
103,135	Cvent	382	0.41
53,249	Brilliant Earth	214	0.23
88,000	Clarent*	-	-
229,449	Softbrands*	-	-
632	Battalion Oil Warrant 08/10/2022	-	-
492	WTS Battalion Oil Warrant 08/10/2022	-	-
393	Battalion Oil Corporation Warrant 08/10/2022	-	-
		60,350	65.02

Portfolio Statement

as at 30 June 2022

Holdings	Description	Market Value £'000	% of Net Assets
China 12.81% (December 2021: 6.56%)			
71,300	JD.com	1,897	2.04
112,400	Li Auto	1,809	1.95
16,230	Alibaba ADR	1,555	1.68
1,424,000	Linklogis	1,163	1.25
465,500	Qingdao Ainnovation Technology	999	1.08
673,700	Xiaomi	967	1.04
139,199	Full Truck Alliance	947	1.02
11,900	Contemporary Ampere Technology	784	0.84
53,083	KE ADR	779	0.84
159,600	Huazhu	511	0.55
52,600	Ganfeng Lithium	478	0.52
		11,889	12.81
Israel 5.04% (December 2021: 2.95%)			
282,100	Plus500	4,681	5.04
		4,681	5.04
United Kingdom 4.52% (December 2021: 3.49%)			
1,707,183	BT	3,198	3.45
303,462	Oxford Nanopore Technologies	821	0.88
719,874	Thomas Murray Network*	180	0.19
670,754	Ludorum*†	–	–
45,557	Thomas Murray Systems*	–	–
		4,199	4.52
Germany 2.80% (December 2021: 1.02%)			
27,870	Siltronic	1,677	1.81
44,700	Zalando	921	0.99
		2,598	2.80
Japan 1.27% (December 2021: 9.30%)			
17,500	Sony	1,176	1.27
		1,176	1.27
Denmark 0.62% (December 2021: 0.00%)			
13,133	Netcompany	575	0.62
		575	0.62
Canada 0.50% (December 2021: 0.00%)			
17,040	Shopify	465	0.50
		465	0.50
	Total Investments	85,933	92.58
	Net other assets	6,888	7.42
	Total net assets	92,821	100.00

All holdings are equities and represent securities quoted on a Listed Securities Market, unless otherwise stated.

*Unquoted investments.

† A final distribution of unknown value is expected to be received during 2022, it is deemed prudent to carry the value at zero.

Stocks shown as ADR's represent American Depositary Receipts.

Statement of Material Portfolio Changes

for the period 1 January 2022 to 30 June 2022

Major purchases	Cost £'000	Major sales	Proceeds £'000
Expedia	4,451	Seagate Technology	3,446
Siltronic	3,277	Sony	3,315
EPAM Systems	2,833	Microsoft	3,077
Meta Platforms	2,743	Alphabet	2,554
ROBLOX	2,116	Netflix	2,266
JD.com	1,950	Cigna	2,124
BT	1,943	SUMCO	2,118
Zalando	1,885	Expedia	2,101
Plus500	1,859	Keysight Technologies	1,991
Pure Storage	1,799	Coinbase Global	1,951
Alphabet	1,790	FedEx	1,940
CAPGEMINI	1,777	Lennar	1,873
NortonLifeLock	1,774	PulteGroup	1,812
NVIDIA	1,676	Li Auto	1,802
Cloudflare	1,637	United Parcel Service	1,783
Coinbase Global	1,632	BYD	1,683
Adobe	1,538	Frontier Communications Parent	1,671
PTC	1,490	CVS Health	1,627
Qingdao Ainnovation Technology	1,444	McDonald's	1,608
ServiceNow	1,171	Cie Financiere Richemont	1,602
Total purchases for the period	67,330	Total sales for the period	86,514

Statement of Total Return

for the period 1 January 2022 to 30 June 2022

	30 June 2022		30 June 2021	
	£'000	£'000	£'000	£'000
Income				
Net capital (losses)/gains		(21,591)		5,978
Revenue	260		754	
Expenses	(245)		(411)	
Interest payable and similar charges	–		(1)	
Net revenue before taxation	15		342	
Taxation	(129)		(75)	
Net (expenses)/revenue after taxation		(114)		267
Total return before equalisation		(21,705)		6,245
Equalisation		–		(7)
Change in net assets attributable to shareholders from investment activities		(21,705)		6,238

Statement of Change in Net Assets Attributable to Shareholders

for the period 1 January 2022 to 30 June 2022

	30 June 2022		30 June 2021	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		88,555		97,497
Amounts receivable on creation of shares	372		782	
Less: Amounts payable on cancellation of shares	(19,519)		(13,154)	
In specie transfer*	45,115		–	
		25,968		(12,372)
Dilution levy		3		–
Change in net assets attributable to shareholders from investment activities		(21,705)		6,238
Closing net assets attributable to shareholders		92,821		91,363

* In specie amounts transferred to GAM Disruptive Growth Fund in the period from GAM North American Growth Fund.

Comparative information is provided for the Statement of Change in Net Assets Attributable to Shareholders. Since this information is for the prior interim period, the net assets at the end of that period do not correspond to the net assets at the start of the current period.

GAM Disruptive Growth

Balance Sheet

as at 30 June 2022

	30 June 2022	31 December 2021
	£'000	£'000
Assets:		
Fixed Assets:		
Investments	85,933	86,353
Current assets:		
Debtors	301	466
Cash and bank balances	7,090	2,341
Total assets	93,324	89,160
Liabilities:		
Investment liabilities	–	(133)
Creditors:		
Distribution payable	–	(85)
Other creditors	(503)	(387)
Total other liabilities	(503)	(605)
Net Assets Attributable to Shareholders	92,821	88,555

Notes to the Interim Report

Basis for preparation

The financial statements comprise the interim financial statements for each of the Funds and have been prepared in accordance with the Statement of Recommended Practice for Authorised Funds issued by the Investment Management Association in May 2014.

Net Asset Value and Comparative Tables

	June 2022	December 2021	December 2020
A Class – Income Shares			
Closing net asset value (£'000)	1,018	984	3,929
Closing number of shares	31,530	22,582	97,910
Closing net asset value per share (p)	3,229.42	4,356.47	4,012.40
Operating charges	1.26%	1.59%	1.57%
	June 2022	December 2021	December 2020
A Class – Accumulation Shares			
Closing net asset value (£'000)	2,057	1,538	6,700
Closing number of shares	46,898	25,981	122,925
Closing net asset value per share (p)	4,387.00	5,918.02	5,450.64
Operating charges	1.27%	1.58%	1.57%
	June 2022	December 2021	December 2020
R Class – Income Shares			
Closing net asset value (£'000)	22,720	3,612	3,488
Closing number of shares	2,634,304	311,177	326,888
Closing net asset value per share (p)	862.47	1,160.89	1,067.09
Operating charges	0.82%	1.14%	1.12%
	June 2022	December 2021	December 2020
R Class – Accumulation Shares			
Closing net asset value (£'000)	25,733	4,294	4,429
Closing number of shares	2,879,594	356,992	401,580
Closing net asset value per share (p)	893.62	1,202.80	1,102.84
Operating charges	0.82%	1.14%	1.12%
	June 2022	December 2021	December 2020
Z Class – Income Shares			
Closing net asset value (£'000)	5,232	7,792	7,279
Closing number of shares	593,709	657,862	668,666
Closing net asset value per share (p)	881.32	1,184.42	1,088.54
Operating charges	0.55%	0.54%	0.52%

GAM Disruptive Growth

Net Asset Value and Comparative Tables

	June 2022	December 2021	December 2020
Z Class – Accumulation Shares			
Closing net asset value (£'000)	19,241	35,749	34,948
Closing number of shares	2,100,580	2,904,110	3,114,992
Closing net asset value per share (p)	915.96	1,230.98	1,121.93
Operating charges	0.55%	0.54%	0.52%
	June 2022	December 2021	December 2020
Z II Class – Accumulation Shares			
Closing net asset value (£'000)	8,335	12,046	11,594
Closing number of shares	923,768	992,030	1,043,408
Closing net asset value per share (p)	902.33	1,214.32	1,111.17
Operating charges	0.81%	0.94%	0.92%
	June 2022	December 2021	December 2020
Institutional Class – Income Shares			
Closing net asset value (£'000)	2,343	4,244	8,221
Closing number of shares	139,942	188,319	396,840
Closing net asset value per share (p)	1,674.51	2,253.87	2,071.62
Operating charges	0.83%	1.14%	1.12%
	June 2022	December 2021	December 2020
Institutional Class – Accumulation Shares			
Closing net asset value (£'000)	6,139	12,837	16,909
Closing number of shares	346,014	537,497	772,220
Closing net asset value per share (p)	1,774.32	2,388.20	2,189.72
Operating charges	0.83%	1.14%	1.12%
	June 2022	December 2021	December 2020
A Class USD Hedge – Accumulation Shares⁽¹⁾			
Closing net asset value (\$'000)	–	4,276	–
Closing number of shares	–	416,957	–
Closing net asset value per share (c)	–	1,025.62	–
Operating charges	–	1.59%	–
	June 2022	December 2021	December 2020
Institutional Class USD Hedge – Accumulation Shares⁽²⁾			
Closing net asset value (\$'000)	–	3,118	–
Closing number of shares	–	303,445	–
Closing net asset value per share (c)	–	1,027.40	–
Operating charges	–	1.14%	–

(1) Share class launched on 11 August 2021 and was closed on 31 January 2022.

(2) Share class launched on 11 August 2021 and was closed on 31 January 2022.

(GAM North American Growth merged into GAM Disruptive Growth (formerly GAM Global Diversified) on 13 June 2022)

Risk and Reward Profile



The risk indicator is based on the volatility of the Fund's performance over the last 5 years. Where 5 years' performance history is not available the data is supplemented by proxy fund, benchmark data or a simulated historical series as appropriate.

- This profile is determined using historical data, as such may not be a reliable indication for the future risk profile. It is not guaranteed and may shift over time.
- This allocation to a risk category may change over time because the future performance of the Fund may fluctuate differently from in the past.
- The Fund does not offer the investor a guaranteed return. Nor does it guarantee the fixed repayment of the money invested in the Fund by the investor.

Further risks that may have a significant effect on the net asset value of the Fund include:

- **Concentration Risk:** concentration in a limited number of securities and industry sectors may result in more volatility than investing in broadly diversified funds.
- **Capital at Risk:** all financial investments involve an element of risk. Therefore, the value of the investment and the income from it will vary and the initial investment amount cannot be guaranteed.
- **Investment Positions:** positions may increase in size relative to the size of the Fund. The risk is monitored by regularly adapting positions.
- **Equity:** investments in equities (directly or indirectly via derivatives) may be subject to significant fluctuations in value.

The "Investment Objectives and Policy" section of the Prospectus for this Fund give you more details about all the risks for the Fund.

GAM North American Growth

Statement of Total Return

for the period 1 January 2022 to 30 June 2022

	30 June 2022		30 June 2021	
	£'000	£'000	£'000	£'000
Income				
Net capital (losses)/gains		(16,203)		5,962
Revenue	165		441	
Expenses	(296)		(374)	
Interest payable and similar charges	–		(1)	
Net (expenses)/revenue before taxation	(131)		66	
Taxation	(20)		(38)	
Net (expenses)/revenue after taxation		(151)		28
Total return before equalisation		(16,354)		5,990
Equalisation		–		(1)
Change in net assets attributable to shareholders from investment activities		(16,354)		5,989

Statement of Change in Net Assets Attributable to Shareholders

for the period 1 January 2022 to 30 June 2022

	30 June 2022		30 June 2021	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		67,820		76,170
Amounts receivable on creation of shares	385		677	
Less: Amounts payable on cancellation of shares	(6,736)		(11,431)	
In specie transfer*	(45,115)		–	
		(51,466)		(10,754)
Change in net assets attributable to shareholders from investment activities		(16,354)		5,989
Closing net assets attributable to shareholders		–		71,405

* In specie amounts transferred to GAM Disruptive Growth Fund in the period following GAM North American Growth Fund merger.

Comparative information is provided for the Statement of Change in Net Assets Attributable to Shareholders. Since this information is for the prior interim period, the net assets at the end of that period do not correspond to the net assets at the start of the current period.

Balance Sheet

as at 30 June 2022

	30 June 2022	31 December 2021
	£'000	£'000
Assets:		
Fixed Assets:		
Investments	–	63,789
Current assets:		
Debtors	5	108
Cash and bank balances	309	4,549
Total assets	314	68,446
Liabilities:		
Creditors:		
Distribution payable	–	–
Other creditors	(314)	(626)
Total other liabilities	(314)	(626)
Net Assets Attributable to Shareholders	–	67,820

Notes to the Financial Statements

Basis for preparation

The financial statements comprise the interim financial statements for each of the Funds and have been prepared in accordance with the Statement of Recommended Practice for Authorised Funds issued by the Investment Management Association in May 2014.

GAM North American Growth

Net Asset Value and Comparative Tables

	June 2022	December 2021	December 2020
Institutional Class – Income Shares			
Closing net asset value (£'000)	–	30,131	33,531
Closing number of shares	–	1,026,576	1,290,574
Closing net asset value per share (p)	–	2,935.12	2,598.15
Operating charges	0.53%	1.01%	0.98%
	June 2022	December 2021	December 2020
Institutional Class – Accumulation Shares			
Closing net asset value (£'000)	–	31,292	35,048
Closing number of shares	–	1,046,678	1,324,337
Closing net asset value per share (p)	–	2,989.67	2,646.44
Operating charges	0.54%	1.01%	0.98%
	June 2022	December 2021	December 2020
A Class – Income Shares			
Closing net asset value (£'000)	–	473	438
Closing number of shares	–	10,579	10,998
Closing net asset value per share (p)	–	4,473.19	3,983.48
Operating charges	0.81%	1.61%	1.58%
	June 2022	December 2021	December 2020
A Class – Accumulation Shares			
Closing net asset value (£'000)	–	2,666	3,750
Closing number of shares	–	47,801	75,494
Closing net asset value per share (p)	–	5,577.99	4,967.32
Operating charges	0.79%	1.61%	1.58%
	June 2022	December 2021	December 2020
R Class – Accumulation Shares			
Closing net asset value (£'000)	–	2,272	2,475
Closing number of shares	–	198,894	244,831
Closing net asset value per share (p)	–	1,142.20	1,011.07
Operating charges	0.54%	1.01%	0.98%
	June 2022	December 2021	December 2020
R Class – Income Shares			
Closing net asset value (£'000)	–	985	927
Closing number of shares	–	87,869	93,450
Closing net asset value per share (p)	–	1,120.77	992.10
Operating charges	0.54%	1.01%	0.97%

All share classes on the Fund closed on 13th July 2022.

Following the fund closure, the operating charges are no longer ongoing, so have not been annualised.

GAM UK Diversified merged into GAM UK Equity Income on 2 August 2018.

Statement of Total Return

for the period 1 January 2022 to 30 June 2022

	30 June 2022		30 June 2021	
	£'000	£'000	£'000	£'000
Income				
Net capital gains		-		-
Revenue	-		-	
Expenses	-		-	
Interest payable and similar charges	-		-	
Net revenue before taxation	-		-	
Taxation	-		-	
Net expenses after taxation		-		-
Total return before equalisation		-		-
Equalisation		-		-
Change in net assets attributable to shareholders from investment activities		-		-

Statement of Change in Net Assets Attributable to Shareholders

for the period 1 January 2022 to 30 June 2022

	30 June 2022		30 June 2021	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		-		-
Amounts receivable on creation of shares	-		-	
Less: Amounts payable on cancellation of shares	-		-	
Change in net assets attributable to shareholders from investment activities		-		-
Closing net assets attributable to shareholders		-		-

Comparative information is provided for the Statement of Change in Net Assets Attributable to Shareholders. Since this information is for the prior interim period, the net assets at the end of that period do not correspond to the net assets at the start of the current period.

Balance Sheet

as at 30 June 2022

	30 June 2022	31 December 2021
	£'000	£'000
Assets		
Fixed assets:		
Current assets:		
Cash and bank balances	14	12
Total assets	14	12
Liabilities:		
Creditors:		
Distribution payable	–	–
Other creditors	(14)	(12)
Total other liabilities	(14)	(12)
Net Assets Attributable to Shareholders	–	–

Notes to the Interim Report

Basis for preparation

The financial statements comprise the interim financial statements for each of the Funds and have been prepared in accordance with the Statement of Recommended Practice for Authorised Funds issued by the Investment Management Association in May 2014.

Net Asset Value and Comparative Tables

The GAM UK Diversified Fund merged into GAM UK Equity Income Fund on 2 August 2018. The value of including the Comparative Tables on this closed Fund has been assessed and omitted due to no activity in the tables.

GAM Credit Opportunities (GBP)

Manager: Anthony Smouha, Gregoire Mivelaz & Patrick Smouha, ATLANTICOMNIUM S.A.

Commentary

Macro backdrop

During the first half of the year, we witnessed one of the largest drawdowns we have seen within subordinated debt, similar to most risk assets. High CPI numbers and hawkish statements from central banks have contributed to a weak market sentiment in general, on top of geopolitical and energy related concerns linked to the war in Ukraine. Higher CPI numbers and central bank guidance revisions were constant during H1, and it seems that investors are having a difficult time assessing what the neutral rate should be and this has weakened asset prices. Moreover, concerns about recession are growing. However, valuations have become attractive, in our view. On top of that, with yields-to-worst higher than 6%, we are capturing significant income. Moreover, most subordinated debt is pricing extension risk. As an example, Additional Tier 1 (AT1) and corporate hybrid securities are perpetual bonds which have call dates. During positive market periods, most of those securities are priced to the next call date. However, during risk-off environments such as this year, a large number of those securities reprice to perpetuity. This creates a double negative effect on prices. As the large majority of our bonds are pricing the extension risk, we believe we should benefit going forward as valuations tighten.

Credit quality: Strong and unchanged as indicated by the average rating of bonds that remained constant throughout the year at BB+ and BBB+ for issuers. We have seen capital and excess capital remaining at very high levels. Moreover, financials will likely benefit from higher interest rates, as profitability increases with interest rates.

Income: the fund captured an income of 2.26% in the first half of 2022. However, with spreads widening, the fund currently has a yield to worst of more than 6%. This is attractive, especially when comparing to the 5-year Gilt which is currently at 1.89%.

Performance

The institutional share class was down -12.42% during the first half of the year, having captured 2.26% income. This is one of the largest drawdowns we have seen within subordinated debt. This is despite the fact we believe credit fundamentals remain strong and the profitability of financials will increase with higher interest rates. We believe these price moves should revert over time and consequently, we expect our fund to benefit. Moreover, we are capturing significantly high income. Therefore we believe this, combined with spreads tightening and the pull to par effect, should enable the fund to recover strongly as seen after previous periods of drawdown.

Positioning

In terms of positioning, no major changes were conducted, and the Fund remains well positioned in terms of credit, interest rate and liquidity risk.

Single positions: as long term buy and hold investors, when we have conviction in the credit quality of our companies, we did not feel we needed to make any substantial changes to the fund. As an example, eight of our top 10 holdings per issuer are the same as the ones we had in December. While there are always changes in individual bond issues within the fund, the holdings remain national champions such as HSBC, Natwest or Rabobank.

Capital structure: We have maintained our diversification along the capital structure and our positioning has stayed relatively similar, although we added to AT1s and reduced cash. It can be best described as follows: 7.73% in senior unsecured, 8.60% in corporate hybrids, 22.98% in Tier 2 bonds, 8.31% in restricted tier 1 (RT1) (Tier 1 subordinated debt from insurers under Solvency 2), 29.76% in AT1

(Tier 1 subordinated debt from banks under Basel III), 11.51% in Tier 1's and cash at 11.11%.

Asset type: We have added to fixed-to-floater perpetuals. It can be best described as follows: 46.06% in fixed-to-floater perpetual, 20.97% in fixed perpetual, 13.50% in fixed-to-floater bonds, 7.63% in fixed-dated bonds, 0.73% in undated floating rate notes (FRNs) and cash at 11.11%. This positioning serves our aim to be interest rate insensitive or indifferent, by maintaining a diversification between fixed rate bonds that do well when rates decline and fixed to floaters and floating rate notes which protect us when rates rise. This approach has served us well in times of rising interest rates in the past allowing us to produce positive returns during downturns in bond markets.

Issuer rating: Positioning has not changed. We have more than 80% of the issuers which are rated investment grade.

Sector and sub-sector: In 2022, we maintained our positioning of more than 75% within financials, where banks and insurances represent the larger proportion with 52.26% and 17.62%, respectively. Our holdings in non-financial companies is in order to enable us to increase diversification within our funds and benefit from strong credit stories.

Outlook

Valuation: With spreads of around 540 bps, valuations of our securities are extremely attractive, especially considering the strong fundamentals of our credits. Therefore, we expect our securities to benefit strongly going forward.

Liquidity: The market liquidity remains extremely robust. This being said, maintaining good liquidity is an important part of our management of the fund and we do not just rely on market liquidity. Our focus on diversification across number of holdings (127 holdings at 30.06.2022), types of holdings, different maturities and capital structures also contributed to our being able to maintain excellent liquidity for the fund throughout the first half of 2022.

ESG

The fund is aligned with SFDR article 8. The positioning of the fund as Article 8 follows the integration of ESG into our research and investment process, supplemented with sustainability exclusion criteria. These two pillars are aligned with our approach, long-term buy and hold investors based on bottom-up credit convictions. With the full integration of ESG, we maintain our long-term forward-looking view on the robustness of the issuers we invest in. On the other hand, our sustainability exclusion criteria follow the sector exclusions outlined in our ESG policy for ethical reasons (weapons, tobacco, alcohol, gambling) and adding sectors most vulnerable to climate change (coal, oil sands) and companies with the most serious ESG breaches.

External ESG data provider MSCI is leveraged to help identify key ESG trends and topical issues material to the analysis of issuers. This is the starting point of the ESG analysis, where ESG ratings help to provide an indication of risk of issuers from a credit perspective. Analysts then conduct internal research on key issue areas of focus for specific issuers. Based on MSCI, the ESG rating of the fund is AAA.

We are positive, given strong credit fundamentals, high income, attractive valuations and the pull to par effect.

4 August 2022

Portfolio Analysis

Analysis, by geographical area	30 June 2022 %	31 December 2021 %
Ireland	99.91	100.10
Net other assets/(liabilities)	0.09	(0.10)
Total net assets	100.00	100.00

Analysis, by industry sector	30 June 2022 %	31 December 2021 %
Collective Investment Schemes	99.91	100.10
Net other assets/(liabilities)	0.09	(0.10)
Total net assets	100.00	(0.10)

Analysis, by investment	30 June 2022 %	31 December 2021 %
Equity Fund	99.91	100.10
Net other assets/(liabilities)	0.09	(0.10)
Total net assets	100.00	100.00

GAM Credit Opportunities (GBP)

Risk and Reward Profile



The risk indicator is based on the volatility of the Fund's performance over the last 5 years. Where 5 years' performance history is not available the data is supplemented by proxy fund, benchmark data or a simulated historical series as appropriate.

- The Fund is assigned to the above category based on its historical fluctuations in value.
- The indicator helps investors to have a better understanding of the potential gains and losses related with the Fund. In this context, even the lowest category does not represent a risk-free investment.
- This profile is determined using historical data, as such may not be a reliable indication for the future risk profile. It is not guaranteed and may shift over time.
- This allocation to a risk category may change over time because the future performance of the Fund may fluctuate differently from in the past.
- The Fund does not offer the investor a guaranteed return. Nor does it guarantee The fixed repayment of The money invested in The Fund by The investor.

Further risks that may have a significant effect on the net asset value of the Fund include:

- **Liquidity Risk:** some investments can be difficult to sell quickly which may affect the value of the Fund and, in extreme market conditions, its ability to meet redemption requests.
- **Credit Risk/Debt Securities:** bonds may be subject to significant fluctuations in value. Bonds are subject to credit risk and interest rate risk.
- **Concentration Risk:** concentration in a limited number of securities and industry sectors may result in more volatility than investing in broadly diversified funds.
- **Credit Risk/Non-Investment Grade:** non-investment grade securities, which will generally pay higher yields than more highly rated securities, will be subject to greater market and credit risk, affecting the performance of the Fund.
- **Capital at Risk:** all financial investments involve an element of risk. Therefore, the value of the investment and the income from it will vary and the initial investment amount cannot be guaranteed.
- **Interest Rate Risk:** a rise or fall in interest rates causes fluctuations in the value of fixed income securities, which may result in a decline or an increase in the value of such investments.

The "Investment Objectives and Policy" section of the Prospectus for this Fund give you more details about all the risks for the Fund.

Portfolio Statement

as at 30 June 2022

Holdings	Description	Market Value £'000	% of Net Assets
Collective Investment Schemes 99.91% (December 2021: 100.10%)			
4,995,893	GAM Star Credit Opportunities Fund GBP QZ II Acc †*	46,914	99.91
		46,914	99.91
	Total Investments	46,914	99.91
	Net other liabilities	40	0.09
	Total net assets	46,954	100.00

All investments are Collective Investment Scheme unless otherwise stated.

† A related party to the Fund.

* Details of the Master Fund are available at www.gam.com/en/documents.

GAM Credit Opportunities (GBP)

Statement of Material Portfolio Changes

for the period 1 January 2022 to 30 June 2022

Total purchases	Cost £'000	Total sales	Proceeds £'000
GAM Star Credit Opportunities Fund GBP QZ II Acc	9,157	GAM Star Credit Opportunities Fund GBP QZ II Acc	39,312
Total purchases for the period	9,157	Total sales for the period	39,312

Statement of Total Return

for the period 1 January 2022 to 30 June 2022

	30 June 2022		30 June 2021	
	£'000	£'000	£'000	£'000
Income				
Net capital (losses)/gains		(9,612)		1,421
Revenue	1,602		811	
Expenses	(322)		(232)	
Interest payable and similar charges	–		–	
Net revenue before taxation	1,280		579	
Taxation	–		–	
Net revenue after taxation		1,280		579
Total return before distribution		(8,332)		2,000
Distribution		(348)		(38)
Change in net assets attributable to shareholders from investment activities		(8,680)		1,962

Statement of Change in Net Assets Attributable to Shareholders

for the period 1 January 2022 to 30 June 2022

	30 June 2022		30 June 2021	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		84,997		47,973
Amounts receivable on creation of shares	9,010		14,086	
Less: Amounts payable on cancellation of shares	(38,373)		(9,614)	
		(29,363)		4,472
Change in net assets attributable to shareholders from investment activities		(8,680)		1,962
Closing net assets attributable to shareholders		46,954		54,407

Comparative information is provided for the Statement of Change in Net Assets Attributable to Shareholders. Since this information is for the prior interim period, the net assets at the end of that period do not correspond to the net assets at the start of the current period.

GAM Credit Opportunities (GBP)

Balance Sheet

as at 30 June 2022

	30 June 2022	31 December 2021
	£'000	£'000
Assets:		
Fixed Assets:		
Investments	46,914	85,079
Current assets:		
Debtors	483	172
Cash and bank balances	27	18
Total assets	47,424	85,269
Liabilities:		
Creditors:		
Distribution payable	(2)	(124)
Other creditors	(468)	(148)
Total other liabilities	(470)	(272)
Net Assets Attributable to Shareholders	46,954	84,997

Notes to the Interim Report

Basis for preparation

The financial statements comprise the interim financial statements for each of the Funds and have been prepared in accordance with the Statement of Recommended Practice for Authorised Funds issued by the Investment Management Association in May 2014.

Net Asset Value and Comparative Tables

	June 2022	December 2021	
Z Class – Income Shares⁽¹⁾			
Closing net asset value (£'000)	171	8,585	
Closing number of shares	19,769	851,959	
Closing net asset value per share (p)	862.10	1,007.66	
Operating charges	0.91%	0.98%	
	June 2022	December 2021	December 2020
Z Class – Accumulation Shares⁽²⁾			
Closing net asset value (£'000)	2,535	23,770	19,324
Closing number of shares	251,020	2,062,971	1,752,209
Closing net asset value per share (p)	1,010.03	1,152.22	1,102.83
Operating charges	0.91%	0.98%	0.97%
	June 2022	December 2021	December 2020
Institutional Class – Income Shares			
Closing net asset value (£'000)	1,090	1,228	636
Closing number of shares	124,175	122,482	64,367
Closing net asset value per share (p)	877.64	1,002.20	987.47
Operating charges	1.11%	1.18%	1.18%
	June 2022	December 2021	December 2020
Institutional Class – Accumulation Shares			
Closing net asset value (£'000)	43,158	51,414	28,013
Closing number of shares	3,994,405	4,167,153	2,367,362
Closing net asset value per share (p)	1,080.46	1,233.80	1,183.31
Operating charges	1.11%	1.18%	1.18%

⁽¹⁾ Share class launched on 27 January 2021.

⁽²⁾ Share class launched on 16 June 2020.

GAM Credit Opportunities (GBP)

Distribution Tables

Distribution in pence per share

Group 1 First Interim Shares purchased prior to 1 January 2022

Group 2 First Interim Shares purchased on or between 1 January 2022 and 31 March 2022

Group 1 Second Interim Shares purchased prior to 1 April 2022

Group 2 Second Interim Shares purchased on or between 1 April 2022 and 30 June 2022

Z Class – Income Shares⁽¹⁾

	Net revenue	Equalisation	Distribution payable 2022	Distribution paid 2021
Group 1	(p)	(p)	(p)	(p)
First Interim	11.3400	–	11.3400	–
Second Interim	11.3900	–	11.3900	11.1800
Group 2	(p)	(p)	(p)	(p)
First Interim	–	11.3400	11.3400	–
Second Interim	–	11.3900	11.3900	11.1800

⁽¹⁾ Investors are reminded that the Z class – Income shares is a quarterly distributor. All other classes on this fund distribute annually.

Equalisation

Equalisation applies only to Group 2 shares. It is the average amount of income included in the purchase price of Group 2 shares and is treated as being refunded to the holders of these shares as a return of capital. Being capital, it is not liable to Income Tax but should be deducted from the cost of shares for tax on capital gains purposes.

Commentary

Market environment

Over the first half of 2022, the MSCI Europe ex UK Index (TR) in EUR returned -16.9%. The period was dominated by uncertainty and flux as the February invasion of Ukraine by Russia sparked an energy crisis which further disrupted Covid-hit supply chains, accelerating already high inflation upwards and increasing risk aversion as fears of rising rates and slowing growth materialised.

European headlines remained focused on high energy prices amid concerns that Russia may halt gas exports and the implications heading into a European winter. As such, the only sector that posted positive returns in H1 2022 was energy, rising +13.6%. This compares to real estate down -33.4% and technology down -32.5%, a mark of the profound rotation that has been experienced in the market this year.

Performance

GAM Continental European Equity (GBP, B) returned -21.7% over the period.

Overall, the 2022 quarter one results released through April and May were positive for our companies with little evidence (as of yet) of recessionary impacts from higher inflation and energy prices. Outlook statements were generally positive with any cautious comments related to general uncertainty rather than evidence of declining demand trends.

Despite the positive underlying company results, the fund's short-term performance has been negatively impacted by a number of issues, in our view:

1. The Russia/Ukraine invasion triggered a "risk off" trajectory which impacted the fund's short-term performance:

Bank stocks sold off heavily underperforming the general market despite excellent results and rising yields and our heavy overweight position hit performance.

Cyclical holdings in industrial and construction sectors sold off heavily, underperforming despite excellent results and a robust demand outlook.

Defensive, low growth and low return sectors such as pharmaceuticals, telecoms and food retail significantly outperformed in a falling and more defensive market. For fundamental reasons we are very underweight, or completely out of such sectors and see no reasons for recent outperformance. We believe that such sectors are expensive relative to their fundamentals.

2. We increased our weighting to technology too early and witnessed increased underperformance of such stocks at a higher weighting in the fund.

3. Two holdings, Zalando and Nokian Tyres, were outsized negative contributors. We believe Zalando has been unfairly hit by sentiment and offers significant value (it has never been cheaper) so we continue to hold it, while Nokian Tyres has the bulk of their passenger tyre production in Russia and is now subject to EU sanctions; we have sold this position.

Outlook

Our view for some time has been that inflation is likely to be higher and more volatile than markets or policymakers assumed driven by numerous factors, the most important of which is the inflationary consequences of the energy transition to net zero and consequent policy actions.

There are positive aspects to these inflationary factors, and it is to these that we turn our investment attention; a combination of high inflation, higher 'nominal' growth and far higher levels of capital investment required to solve supply side issues suggests that we should refer to our new regime as "reflation" rather than inflation. We believe we are still at the early stages of this move from deflation to reflation and many sectors of the market have further to go in their re-rating / de-rating with earnings impacts to follow.

While we do not take any period of underperformance lightly. We are currently in a period of intense change in the markets and retain high conviction that we have built our portfolio to be in the best position to take advantage of the emerging opportunities from this new environment.

4 August 2022

GAM Continental European Equity

Portfolio Analysis

Analysis, by geographical area	30 June 2022 %	31 December 2021 %
France	18.80	–
Germany	11.97	–
Switzerland	11.79	–
Ireland	9.32	99.72
Netherlands	8.66	–
Denmark	7.58	–
Italy	7.37	–
Sweden	6.57	–
Spain	6.24	–
Norway	3.10	–
Finland	2.35	–
United Kingdom	2.08	–
United States	1.17	–
Total Investments	97.00	99.72
Net other assets	3.00	0.28
Total net assets	100.00	100.00

Analysis, by investment	30 June 2022 %	31 December 2021 %
Equity	97.00	–
Collective Investment Schemes	–	99.72
Total Investments	97.00	99.72
Net other assets	3.00	0.28
Total net assets	100.00	100.00

Analysis, by industry sector	30 June 2022 %	31 December 2021 %
Banks	13.95	–
Technology Hardware & Equipment	10.48	–
Energy	9.65	–
Pharmaceuticals & Biotechnology	9.50	–
Materials	9.28	–
Food Beverage & Tobacco	9.17	–
Household & Personal Products	5.92	–
Software & Services	5.12	–
Diversified Financials	4.32	–
Insurance	4.25	–
Commercial & Professional Services	2.75	–
Industrials	2.66	–
Retailing	2.22	–
Telecommunication Services	2.07	–
Real Estate	2.00	–
Transportation	1.97	–
Consumer Services	1.17	–
Utilities	0.52	–
Collective Investment Schemes	–	99.72
Net other assets	3.00	0.28
Total net assets	100.00	100.00

Risk and Reward Profile



The risk indicator is based on the volatility of the Fund's performance over the last 5 years. Where 5 years' performance history is not available the data is supplemented by proxy fund, benchmark data or a simulated historical series as appropriate.

- The Fund is assigned to the above category based on its historical fluctuations in value.
- The indicator helps investors to have a better understanding of the potential gains and losses related with the Fund. In this context, even the lowest category does not represent a risk-free investment.
- This profile is determined using historical data, as such may not be a reliable indication for the future risk profile. It is not guaranteed and may shift over time.
- This allocation to a risk category may change over time because the future performance of the Fund may fluctuate differently from in the past.
- The Fund does not offer the investor a guaranteed return. Nor does it guarantee the fixed repayment of the money invested in the Fund by the investor.

Further risks that may have a significant effect on the net asset value of the Fund include:

- **Capital at Risk:** all financial investments involve an element of risk. Therefore, the value of the investment and the income from it will vary and the initial investment amount cannot be guaranteed.
- **Equity:** investments in equities (directly or indirectly via derivatives) may be subject to significant fluctuations in value.

The "Investment Objectives and Policy" section of the Prospectus for this Fund give you more details about all the risks for the Fund.

GAM Continental European Equity

Portfolio Statement

as at 30 June 2022

Holdings	Description	Market Value £'000	% of Net Assets
	Denmark 7.58% (December 2021: 0.00%)		
	Pharmaceuticals & Biotechnology 5.72% (December 2021: 0.00%)		
3,949	Novo Nordisk	351	5.72
		351	5.72
	Software & Services 1.86% (December 2021: 0.00%)		
2,613	Netcompany	114	1.86
		114	1.86
	Finland 2.35% (December 2021: 0.00%)		
	Banks 2.35% (December 2021: 0.00%)		
19,860	Nordea Bank	144	2.35
		144	2.35
	France 18.80% (December 2021: 0.00%)		
	Banks 1.48% (December 2021: 0.00%)		
2,351	BNP Paribas	91	1.48
		91	1.48
	Energy 6.06% (December 2021: 0.00%)		
8,565	TotalEnergies	372	6.06
		372	6.06
	Food Beverage & Tobacco 2.80% (December 2021: 0.00%)		
1,160	Pernod Ricard	172	2.80
		172	2.80
	Household & Personal Products 4.84% (December 2021: 0.00%)		
359	LVMH Moet Hennessy Louis Vuitton	176	2.87
438	L'Oreal	121	1.97
		297	4.84
	Materials 1.96% (December 2021: 0.00%)		
3,484	Cie de Saint-Gobain	120	1.96
		120	1.96
	Pharmaceuticals & Biotechnology 1.66% (December 2021: 0.00%)		
7,730	Euroapi	102	1.66
		102	1.66
	Germany 11.97% (December 2021: 0.00%)		
	Diversified Financials 4.32% (December 2021: 0.00%)		
1,948	Deutsche Boerse	265	4.32
		265	4.32
	Retailing 2.22% (December 2021: 0.00%)		
6,615	Zalando	136	2.22
		136	2.22

Portfolio Statement

as at 30 June 2022

Holdings	Description	Market Value £'000	% of Net Assets
	Technology Hardware & Equipment 3.36% (December 2021: 0.00%)		
10,522	Infinion Technologies	206	3.36
		206	3.36
	Telecommunication Services 2.07% (December 2021: 0.00%)		
7,810	Deutsche Telekom	127	2.07
		127	2.07
	Ireland 9.32% (December 2021: 99.72%)		
	Commercial & Professional Services 2.75% (December 2021: 0.00%)		
22,140	Grafton	169	2.75
		169	2.75
	Materials 6.57% (December 2021: 0.00%)		
1,104	Linde	257	4.19
3,087	Kingspan	146	2.38
		403	6.57
	Italy 7.37% (December 2021: 0.00%)		
	Banks 4.40% (December 2021: 0.00%)		
19,678	FinecoBank Banca Fineco	194	3.16
49,492	Intesa Sanpaolo	76	1.24
		270	4.40
	Household & Personal Products 1.08% (December 2021: 0.00%)		
1,922	Moncler	66	1.08
		66	1.08
	Technology Hardware & Equipment 1.89% (December 2021: 0.00%)		
5,154	Prysmian	116	1.89
		116	1.89
	Netherlands 8.66% (December 2021: 0.00%)		
	Banks 2.00% (December 2021: 0.00%)		
15,247	ING	123	2.00
		123	2.00
	Software & Services 1.43% (December 2021: 0.00%)		
74	Adyen	88	1.43
		88	1.43
	Technology Hardware & Equipment 5.23% (December 2021: 0.00%)		
1,028	ASM International	206	3.36
2,969	BE Semiconductor Industries	115	1.87
		321	5.23

GAM Continental European Equity

Portfolio Statement

as at 30 June 2022

Holdings	Description	Market Value £'000	% of Net Assets
	Norway 3.10% (December 2021: 0.00%)		
	Energy 3.10% (December 2021: 0.00%)		
6,489	Equinor	190	3.10
		190	3.10
	Spain 6.24% (December 2021: 0.00%)		
	Banks 3.72% (December 2021: 0.00%)		
79,837	CaixaBank	228	3.72
		228	3.72
	Real Estate 2.00% (December 2021: 0.00%)		
6,640	Aedas Homes	123	2.00
		123	2.00
	Utilities 0.52% (December 2021: 0.00%)		
6,187	Grupo Ecoener	32	0.52
		32	0.52
	Sweden 6.57% (December 2021: 0.00%)		
	Industrials 2.66% (December 2021: 0.00%)		
3,396	Epiroc	43	0.70
15,788	Atlas Copco	120	1.96
		163	2.66
	Materials 0.75% (December 2021: 0.00%)		
1,720	Boliden	46	0.75
		46	0.75
	Software & Services 1.19% (December 2021: 0.00%)		
8,630	Hexagon	73	1.19
		73	1.19
	Transportation 1.97% (December 2021: 0.00%)		
9,472	Volvo	121	1.97
		121	1.97
	Switzerland 11.79% (December 2021: 0.00%)		
	Food Beverage & Tobacco 6.37% (December 2021: 0.00%)		
4,114	Nestle	391	6.37
		391	6.37
	Insurance 4.25% (December 2021: 0.00%)		
739	Zurich Insurance	261	4.25
		261	4.25
	Pharmaceuticals & Biotechnology 1.17% (December 2021: 0.00%)		
750	Straumann	72	1.17
		72	1.17

Portfolio Statement

as at 30 June 2022

Holdings	Description	Market Value £'000	% of Net Assets
	United Kingdom 2.08% (December 2021: 0.00%)		
	Energy 0.49% (December 2021: 0.00%)		
17,830	ITM Power	30	0.49
		30	0.49
	Pharmaceuticals & Biotechnology 0.95% (December 2021: 0.00%)		
21,295	Oxford Nanopore Technologies	58	0.95
		58	0.95
	Software & Services 0.64% (December 2021: 0.00%)		
38,662	Trustpilot	39	0.64
		39	0.64
	United States 1.17% (December 2021: 0.00%)		
	Consumer Services 1.17% (December 2021: 0.00%)		
1,259	Ryanair ADR	72	1.17
		72	1.17
	Total Investments	5,952	97.00
	Net other liabilities	184	3.00
	Total net assets	6,136	100.00

All holdings are equities and represent securities quoted on a Listed Securities Market, unless otherwise stated.

Stocks shown as ADR's represent American Depository Receipts.

GAM Continental European Equity

Statement of Material Portfolio Changes

for the period 1 January 2022 to 30 June 2022

Major purchases	Cost £'000	Major sales	Proceeds £'000
Nestle	1,119	GAM Star Continental European Equity Fund GBP Z Acc	5,239
LVMH Moet Hennessy Louis Vuitton	1,001	Equinor	810
Novo Nordisk	997	Novo Nordisk	795
TotalEnergies	921	Nestle	759
Zalando	855	LVMH Moet Hennessy Louis Vuitton	675
Equinor	836	Linde	599
Deutsche Boerse	799	TotalEnergies	572
Linde	784	Deutsche Boerse	563
Infineon Technologies	767	Zurich Insurance	508
Zurich Insurance	752	ASM International	483
ASM International	713	Adyen	454
Adyen	701	CaixaBank	437
CaixaBank	690	Infineon Technologies	428
ING	625	BNP Paribas	372
FinecoBank Banca Fineco	620	ING	339
Grafton	590	Zalando	312
BNP Paribas	586	Faurecia	310
Kingspan	537	FinecoBank Banca Fineco	293
Pernod Ricard	459	Grafton	284
Atlas Copco	449	Prosus	274
Total purchases for the period	21,715	Total sales for the period	18,571

Statement of Total Return

for the period 1 January 2022 to 30 June 2022

	30 June 2022		30 June 2021	
	£'000	£'000	£'000	£'000
Income				
Net capital (losses)/gains		(2,797)		1,360
Revenue	278		–	
Expenses	(45)		(57)	
Interest payable and similar charges	(4)		–	
Net revenue/(expenses) before taxation	229		(57)	
Taxation	(37)		–	
Net revenue/(expenses) after taxation		192		(57)
Total return before equalisation		(2,605)		1,303
Equalisation		(102)		–
Change in net assets attributable to shareholders from investment activities		(2,707)		1,303

Statement of Change in Net Assets Attributable to Shareholders

for the period 1 January 2022 to 30 June 2022

	30 June 2022		30 June 2021	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		5,651		23,280
Amounts receivable on creation of shares	19,466		512	
Less: Amounts payable on cancellation of shares	(16,777)		(16,807)	
In specie transfer*	486		–	
		3,175		(16,295)
Dilution levy		17		–
Change in net assets attributable to shareholders from investment activities		(2,707)		1,303
Closing net assets attributable to shareholders		6,136		8,288

* In specie amounts transferred to GAM Continental European Equity Fund in the period from GAM Star Continental European Equity Fund.

Comparative information is provided for the Statement of Change in Net Assets Attributable to Shareholders. Since this information is for the prior interim period, the net assets at the end of that period do not correspond to the net assets at the start of the current period.

GAM Continental European Equity

Balance Sheet

as at 30 June 2022

	30 June 2022	31 December 2021
	£'000	£'000
Assets:		
Fixed Assets:		
Investments	5,953	5,635
Current assets:		
Debtors	56	21
Cash and bank balances	142	12
Total assets	6,151	5,667
Liabilities:		
Creditors:		
Other creditors	(15)	(16)
Total other liabilities	(15)	(16)
Net Assets Attributable to Shareholders	6,136	5,651

Notes to the Interim Report

Basis for preparation

The financial statements comprise the interim financial statements for each of the Funds and have been prepared in accordance with the Statement of Recommended Practice for Authorised Funds issued by the Investment Management Association in May 2014.

Net Asset Value and Comparative Tables

	June 2022	December 2021	December 2020
B Class – Accumulation Shares			
Closing net asset value (£'000)	6,136	5,651	23,280
Closing number of shares	525,057	378,612	1,864,727
Closing net asset value per share (p)	1,168.72	1,492.58	1,248.41
Operating charges	0.84%	0.81%	0.87%

GAM UK Equity Income

Manager: Adrian Gosden

Commentary

Market environment

The FTSE All-Share Index (GBP) fell -4.6% over the first half of the year.

The first quarter of 2022 started well as investors looked at a future post Covid. However, this was short lived when Russia invaded Ukraine on 24 February. The instability this caused together with the higher oil price led to uncertainty for investors. With inflation continuing to build, bond yields continued to rise and bond investors lost money.

The market has struggled to price in the risk of an inflation induced recession. As it did with Brexit and then with the pandemic, the market starts with a 'bad case scenario'. Hence investors are driven back to defensive investments, such as healthcare and consumer staples which performed better. Energy also performed well as oil prices rose steeply in response to the risk of a reduction in supply of Russian oil. The heavier weight in these sectors in the UK led the market to rise +1.8% (FTSE 100 Index) in the Q1 despite the poor economic backdrop globally. However, this was reversed in the Q2 when the index fell -9.8%, with June (FTSE All Share Index in GBP -6.0%) accounting for most of the poor performance over this quarter.

The small and mid-cap area significantly underperformed the larger shares in the FTSE All-Share 100 Index. A mixture of weak sterling (down 10% this year against the US dollar) and the fear of a recession have driven this disparity.

Performance

GAM UK Equity Income (GBP, Inst) returned 0% over the first half of the year.

Over the first quarter, stock selection was the main driver of outperformance, as the benefits of being overweight oil and gas were offset by the underweight to miners. Diversified Energy, Standard Chartered, BP and Informa were key contributors while Premier Miton, National Express and Johnson Services weighed on performance.

Share buybacks continued to be announced by the big companies, most notably in oil and gas and the banking sectors. The scale is impressive with some buybacks being over 5% of the company market capitalisation over the next 12 months. But elsewhere in the portfolio, the buybacks are even more impressive. Balfour Beatty is buying back 10% of its shares and Origin Enterprises is doing the same. Even plant hire investment Speedy Hire is buying back shares.

Many companies reported broadly positive news in April, but stand out contributions were Rathbones (close peer Brewin Dolphin was bid for), National Express (patronage back to pre-pandemic levels), RWS (bid rumour from private equity) and Standard Chartered (better revenue growth).

In June despite macroeconomic concerns from investors, we heard positive trading updates from some of our smaller investments such as Shoe Zone and Warpaint. Both companies were trading better than expected and paying more dividends as a result.

However, for those companies unable to meet expectations, the market was quite brutal. Our investment in National Express fell -20% on its trading update despite being on a single digit earnings multiple.

In June, while stock selection was a greater driver of performance than sector allocation, the underweight to basic materials and overweight financials helped performance.

Outlook and positioning

There is much to consider in the current market environment but the continuation of positive trends – returning dividends, share buybacks and corporate activity – all are encouraging us that the UK equity market will continue to be a strong performer.

In particular, rising bond yields should feed through to higher profitability and ultimately higher shareholder returns from our holdings in financials.

4 August 2022

Portfolio Analysis

Analysis, by geographical area	30 June 2022 %	31 December 2021 %
United Kingdom	90.61	94.97
United States	2.60	2.50
Ireland	2.14	1.63
Net other assets	4.65	0.90
Total net assets	100.00	100.00

Analysis, by industry sector	30 June 2022 %	31 December 2021 %
Banks	18.16	14.44
Food Beverage & Tobacco	11.47	13.34
Energy	9.80	11.77
Insurance	7.90	8.35
Commercial & Professional Services	7.45	4.54
Diversified Financials	5.57	7.44
Pharmaceuticals & Biotechnology	4.42	4.25
Telecommunication Services	4.28	5.14
Transportation	4.05	5.01
Media & Entertainment	3.71	2.74
Materials	2.51	1.64
Real Estate	2.47	2.82
Health Care Equipment & Services	2.38	1.28
Retailing	2.29	2.34
Technology Hardware & Equipment	1.83	0.40
Household & Personal Products	1.74	2.98
Capital Goods	1.34	2.94
Consumer Durables & Apparel	1.28	1.71
Fixed Income	0.94	–
Food & Staples Retailing	0.89	0.89
Consumer Services	0.87	0.96
Utilities	–	4.12
Net other assets	4.65	0.90
Total net assets	100.00	100.00

Analysis, by investment	30 June 2022 %	31 December 2021 %
Equity Quoted	94.41	99.10
Fixed	0.94	–
Net other assets	4.65	0.90
Total net assets	100.00	100.00

Risk and Reward Profile



The risk indicator is based on the volatility of the Fund's performance over the last 5 years. Where 5 years' performance history is not available the data is supplemented by proxy fund, benchmark data or a simulated historical series as appropriate.

- The Fund is assigned to the above category based on its historical fluctuations in value.
- The indicator helps investors to have a better understanding of the potential gains and losses related with the Fund. In this context, even the lowest category does not represent a riskfree investment.
- This profile is determined using historical data, as such may not be a reliable indication for the future risk profile. It is not guaranteed and may shift over time.
- This allocation to a risk category may change over time because the future performance of the Fund may fluctuate differently from in the past.
- The Fund does not offer the investor a guaranteed return. Nor does it guarantee the fixed repayment of the money invested in the Fund by the investor.

Further risks that may have a significant effect on the net asset value of the Fund include:

- **Capital at Risk:** all financial investments involve an element of risk. Therefore, the value of the investment and the income from it will vary and the initial investment amount cannot be guaranteed.
- **Investment Positions:** positions may increase in size relative to the size of the Fund. The risk is monitored by regularly adapting positions.
- **Equity:** investments in equities (directly or indirectly via derivatives) may be subject to significant fluctuations in value.

The "Investment Objectives and Policy" section of the Prospectus for this Fund give you more details about all the risks for the Fund.

Portfolio Statement

as at 30 June 2022

Holdings	Description	Market Value £'000	% of Net Assets
United Kingdom			
Banks 18.16% (December 2021: 14.44%)			
2,657,900	HSBC	14,366	4.67
8,343,300	Barclays	12,647	4.11
24,865,701	Lloyds Banking	10,502	3.41
1,592,229	Standard Chartered	9,878	3.21
457,006	Close Brothers	4,629	1.50
808,550	OSB	3,875	1.26
		55,897	18.16
Food Beverage & Tobacco 9.33% (December 2021: 11.71%)			
333,090	British American Tobacco	11,701	3.80
556,588	Imperial Brands	10,267	3.34
1,917,818	Devro	3,567	1.16
3,330,842	Bakkavor	3,165	1.03
		28,700	9.33
Insurance 7.90% (December 2021: 8.35%)			
4,308,500	Direct Line Insurance	10,827	3.52
2,997,838	Legal & General	7,165	2.33
671,284	Beazley	3,281	1.07
1,080,631	Chesnara	3,031	0.98
		24,304	7.90
Commercial & Professional Services 7.45% (December 2021: 4.54%)			
2,385,900	Balfour Beatty	6,078	1.98
4,532,341	Johnson Service	4,469	1.45
1,147,344	RWS	3,850	1.25
3,607,433	DWF	3,247	1.06
1,968,200	RBG	1,856	0.60
711,325	Wilmington	1,672	0.54
504,374	Gateley	1,016	0.33
2,200,928	GYG	748	0.24
		22,936	7.45
Energy 7.20% (December 2021: 9.27%)			
3,408,980	BP	13,486	4.38
401,581	Shell	8,684	2.82
		22,170	7.20
Diversified Financials 5.57% (December 2021: 7.44%)			
374,403	Rathbones	7,196	2.34
529,417	Liontrust Asset Management	4,957	1.61
3,213,729	Premier Miton	4,017	1.30
118,269	AssetCo	977	0.32
		17,147	5.57

GAM UK Equity Income

Portfolio Statement

as at 30 June 2022

Holdings	Description	Market Value £'000	% of Net Assets
Pharmaceuticals & Biotechnology 4.42% (December 2021: 4.25%)			
769,247	GSK	13,602	4.42
		13,602	4.42
Telecommunication Services 4.28% (December 2021: 5.14%)			
5,320,327	BT	9,965	3.24
2,521,770	Vodafone	3,189	1.04
		13,154	4.28
Transportation 4.05% (December 2021: 5.01%)			
5,217,360	National Express	10,121	3.29
692,460	Wincanton	2,344	0.76
		12,465	4.05
Media & Entertainment 3.71% (December 2021: 2.74%)			
802,000	Informa	4,210	1.37
286,964	Euromoney Institutional Investor	3,891	1.26
5,153,400	ITV	3,313	1.08
		11,414	3.71
Materials 2.51% (December 2021: 1.64%)			
4,010,676	Elementis	3,911	1.27
2,294,156	lbstock	3,821	1.24
		7,732	2.51
Real Estate 2.47% (December 2021: 2.82%)			
5,411,237	Empiric Student Property**	4,727	1.54
9,000,000	Grit Real Estate Income	2,880	0.93
		7,607	2.47
Health Care Equipment & Services 2.38% (December 2021: 1.28%)			
403,300	Smith & Nephew	4,604	1.50
1,803,583	Medica	2,723	0.88
		7,327	2.38
Retailing 2.29% (December 2021: 2.34%)			
3,994,954	Hostelworld	3,715	1.21
1,926,837	Shoe Zone	3,311	1.08
		7,026	2.29
Technology Hardware & Equipment 1.83% (December 2021: 0.40%)			
2,580,278	Strix	4,278	1.39
498,195	Morgan Advanced Materials	1,369	0.44
		5,647	1.83
Household & Personal Products 1.74% (December 2021: 2.98%)			
4,080,000	Warpaint London	5,349	1.74
		5,349	1.74

**Real Estate Investment Trust (REIT).

Portfolio Statement

as at 30 June 2022

Holdings	Description	Market Value £'000	% of Net Assets
	Capital Goods 1.34% (December 2021: 2.94%)		
9,782,908	Speedy Hire	4,129	1.34
		4,129	1.34
	Consumer Durables & Apparel 1.28% (December 2021: 1.71%)		
676,226	Henry Boot	2,002	0.65
5,373,767	Joules	1,937	0.63
		3,939	1.28
	Fixed Income 0.94% (December 2021: 0.00%)		
GBP3,037,000	Virgin Money 8.25% Perpetual	2,887	0.94
		2,887	0.94
	Food & Staples Retailing 0.89% (December 2021: 0.89%)		
1,068,200	Tesco	2,730	0.89
		2,730	0.89
	Consumer Services 0.87% (December 2021: 0.96%)		
1,152,870	SSP	2,672	0.87
		2,672	0.87
	United States		
	Energy 2.60% (December 2021: 2.50%)		
7,206,247	Diversified Energy	8,015	2.60
		8,015	2.60
	Ireland		
	Food Beverage & Tobacco 2.14% (December 2021: 1.63%)		
2,713,549	C&C	4,901	1.59
480,948	Origin Enterprises	1,694	0.55
		6,595	2.14
	Total Investments	293,444	95.35
	Net other assets	14,295	4.65
	Total net assets	307,739	100.00

All holdings are equities and represent securities quoted on a Listed Securities Market, unless otherwise stated.

Statement of Material Portfolio Changes

for the period 1 January 2022 to 30 June 2022

Major purchases	Cost £'000	Total sales	Proceeds £'000
Barclays	13,676	SSE	4,224
Direct Line Insurance	7,022	National Grid	4,092
HSBC	6,129	BAE Systems	3,981
Balfour Beatty	5,722	Vodafone	3,947
Liontrust Asset Management	5,660	Shell	3,188
National Express	4,924	Beazley	1,052
Smith & Nephew	4,850	Origin Enterprises	212
Strix	4,767	Fintel	103
BT	4,564	Grit Real Estate (Rights)	–
Ibstock	4,233		
RWS	4,069		
ITV	3,983		
C&C	3,936		
GSK	3,871		
Joules	3,128		
Speedy Hire	3,042		
Close Brothers	2,997		
Virgin Money 8.25% Perpetual	2,960		
Diversified Energy	2,642		
Legal & General	2,429		
Total purchases for the period	121,561	Total sales for the period	20,799

Statement of Total Return

for the period 1 January 2022 to 30 June 2022

	30 June 2022		30 June 2021	
	£'000	£'000	£'000	£'000
Income				
Net capital (losses)/gains		(6,586)		29,064
Revenue	5,726		3,263	
Expenses	(798)		(542)	
Interest payable and similar charges	–		–	
Net revenue before taxation	4,928		2,721	
Taxation	(87)		(65)	
Net expenses after taxation		4,841		2,656
Total return before distribution		(1,745)		31,720
Distribution		(5,403)		(3,019)
Change in net assets attributable to shareholders from investment activities		(7,148)		28,701

Statement of Change in Net Assets Attributable to Shareholders

for the period 1 January 2022 to 30 June 2022

	30 June 2022		30 June 2021	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		204,657		179,942
Amounts receivable on creation of shares	132,994		31,608	
Less: Amounts payable on cancellation of shares	(24,373)		(59,072)	
		108,621		(27,464)
Dilution levy		38		–
Change in net assets attributable to shareholders from investment activities		(7,148)		28,701
Retained distribution on accumulation shares		1,571		820
Closing net assets attributable to shareholders		307,739		181,999

Comparative information is provided for the Statement of Change in Net Assets Attributable to Shareholders. Since this information is for the prior interim period, the net assets at the end of that period do not correspond to the net assets at the start of the current period.

GAM UK Equity Income

Balance Sheet

as at 30 June 2022

	30 June 2022	31 December 2021
	£'000	£'000
Assets:		
Fixed Assets:		
Investments	293,444	202,805
Current assets:		
Debtors	12,743	891
Cash and bank balances	10,253	4,300
Total assets	316,440	207,996
Liabilities:		
Creditors:		
Distribution payable	(5,388)	(2,796)
Other creditors	(3,313)	(543)
Total other liabilities	(8,701)	(3,339)
Net Assets Attributable to Shareholders	307,739	204,657

Notes to the Interim Report

Basis for preparation

The financial statements comprise the interim financial statements for each of the Funds and have been prepared in accordance with the Statement of Recommended Practice for Authorised Funds issued by the Investment Management Association in May 2014.

Net Asset Value and Comparative Tables

	June 2022	December 2021	December 2020
Z Distribution – Income Shares			
Closing net asset value (£'000)	222,676	142,369	127,393
Closing number of shares	22,366,416	13,983,370	15,451,125
Closing net asset value per share (p)	995.57	1,018.13	824.48
Operating charges	0.63%	0.61%	0.62%
	June 2022	December 2021	December 2020
Z Distribution – Accumulation Shares			
Closing net asset value (£'000)	59,702	37,079	29,249
Closing number of shares	4,946,977	3,075,353	3,108,352
Closing net asset value per share (p)	1,206.83	1,205.67	940.97
Operating charges	0.63%	0.61%	0.62%
	June 2022	December 2021	December 2020
Z II Class – Accumulation Shares			
Closing net asset value (£'000)	51	152	196
Closing number of shares	4,189	12,384	20,579
Closing net asset value per share (p)	1,229.22	1,225.10	951.81
Operating charges	0.15%	0.16%	0.14%
	June 2022	December 2021	December 2020
Institutional Class – Income Shares			
Closing net asset value (£'000)	5,358	5,618	5,356
Closing number of shares	543,603	556,870	654,300
Closing net asset value per share (p)	985.55	1,008.88	818.63
Operating charges	0.82%	0.81%	0.83%
	June 2022	December 2021	December 2020
Institutional Class – Accumulation Shares			
Closing net asset value (£'000)	19,952	19,439	17,748
Closing number of shares	1,668,991	1,626,044	1,898,445
Closing net asset value per share (p)	1,195.45	1,195.48	934.89
Operating charges	0.82%	0.81%	0.81%

GAM UK Equity Income

Distribution Table

Distribution in pence per share

Group 1 Interim Shares purchased prior to 1 January 2022

Group 2 Interim Shares purchased on or between 1 January 2022 and 30 June 2022

Z Distribution – Income Shares

	Net revenue	Equalisation	Distribution payable 2022	Distribution paid 2021
Group 1	(p)	(p)	(p)	(p)
Interim	23.5300	–	23.5300	18.0500
Group 2	(p)	(p)	(p)	(p)
Interim	9.6800	13.8500	23.5300	18.0500

Z Distribution – Accumulation Shares

	Net revenue	Equalisation	Distribution payable to 2022	Distribution paid 2021
Group 1	(p)	(p)	(p)	(p)
Interim	24.1100	–	24.1100	17.3100
Group 2	(p)	(p)	(p)	(p)
Interim	8.9600	15.1500	24.1100	17.3100

Institutional Class – Income Shares

	Net revenue	Equalisation	Distribution payable to 2022	Distribution paid 2021
Group 1	(p)	(p)	(p)	(p)
Interim	23.3000	–	23.3000	17.9100
Group 2	(p)	(p)	(p)	(p)
Interim	19.6100	3.6900	23.3000	17.9100

Institutional Class – Accumulation Shares

	Net revenue	Equalisation	Distribution payable to 2022	Distribution paid 2021
Group 1	(p)	(p)	(p)	(p)
Interim	22.6900	–	22.6900	16.1400
Group 2	(p)	(p)	(p)	(p)
Interim	15.9400	6.7500	22.6900	16.1400

Investors are reminded that the Z II class – accumulation shares is an annual distributor. All other classes on this fund distribute semi-annually.

Equalisation

Equalisation applies only to Group 2 shares. It is the average amount of income included in the purchase price of Group 2 shares and is treated as being refunded to the holders of these shares as a return of capital. Being capital, it is not liable to Income Tax but should be deducted from the cost of shares for tax on capital gains purposes.

General Information

The Company

GAM Funds, an open-ended investment company (“OEIC”) with variable capital, is an umbrella company, consisting of a number of Funds. GAM Funds was authorised by the Financial Conduct Authority on 2 May 1997 and qualifies as a wider-range investment under the Trustee Investments Act, 1961.

The Authorised Corporate Director (“ACD”)

The ACD is the director of GAM Funds and is responsible for all aspects of administration and management within the OEIC. The ACD is GAM Sterling Management Company Limited, 8 Finsbury Circus, London EC2M 7GB, United Kingdom.

The Depositary

The Depositary acts as the custodian for all assets relating to the Company. The Depositary is State Street Trustees Limited (Authorised and Regulated by the FCA), 20 Churchill Place, London E14 5HJ, United Kingdom.

Financial instruments held in Custody deposited with the Depositary under the terms of the Depositary Agreement are not subject to any encumbrance or security interest whatsoever and the Company undertakes that it will not create or permit to subsist any encumbrance or security interest over such financial instruments held in custody during the term of the Depositary Agreement except encumbrances that arise by the operation of law in favour of the Depositary, or as described in or as envisaged by the Prospectus and with the prior consent of the Depositary. No such encumbrances arose during the current or prior year.

Minimum initial investment

In all Funds there is a minimum initial investment except in respect of the class G shares of GAM UK Equity Income.

Distributions

The annual income payment date of each Fund is on or before 28 February. Semi-annual income payment date for relevant classes is on or before 31 August. Distributions from each Fund consist of investment income net of expenses and is allocated between income and accumulation shares according to the respective shares of each Fund represented by the accumulation shares and income shares in existence at the end of the relevant accounting period. For more details on the distribution policy, refer to the Prospectus.

Accumulation and Income Shares

Investors may choose to hold either income or accumulation shares (including fractions of a share) in any of the Funds. Each income share represents one undivided share in the property of the respective Fund. Where both income and accumulation shares are in existence in a Fund, the number of shares (including fractions) in the property of the Fund represented by each accumulation share increases as income is accumulated.

Holders of income shares receive distributions (net of the tax which corresponds to the advance corporation tax borne by the Fund).

Holders of accumulation shares do not receive payments of income. Any income (net of the tax which corresponds to the advance corporation tax borne by the Fund) arising in respect of an accumulation share is automatically accumulated and is reflected in the price of each accumulation share. No preliminary charge is levied on this accumulation.

Where both types of shares are in existence, the income of the Fund is allocated between income shares and accumulation shares according to the respective shares in the property of the Fund represented by the accumulation shares and income shares in existence at the end of the relevant accounting period.

Subscription Days

Shares may normally be purchased or sold on any business day. Prices of shares and estimated gross yields are calculated daily. A forward pricing basis is used.

Application for Shares

All applications should be made to the ACD. Shares will be purchased at the next valuation point after receipt of cash or cleared funds and a contract note will be sent to the purchaser. Prospective shareholders should note that the price of shares can fluctuate and the income from them can go down as well as up and is not guaranteed. On redemption investors may receive less than the original amount invested. Past performance is not indicative of current or future performance. Any quoted performance figures do not take account of any charges or levies that may be incurred on the issue or redemption of shares.

Repurchase of Shares

Shareholders may offer all the shares for sale to the ACD, or a lesser number, provided the shareholder maintains the minimum number of shares permitted, by telephoning the Administrator and providing written confirmation. The shares will be purchased from the shareholder at the next valuation point and a contract note confirming the sale will be sent.

Dilution Levy

Where the Company buys or sells underlying investments in response to a request for the issue or redemption of shares, it will generally incur a cost, made up of dealing costs, stamp duty on the purchase of investments (if applicable) and any spread between the bid and offer prices of the investments concerned, which is not reflected in the issue or redemption price paid by or to the shareholder.

With a view to reducing this cost, the ACD is entitled to require payment of a dilution levy, to be added to the sale price or deducted from the redemption price of shares as appropriate. This may be up to 1% of the price of the share:

- redeemed on a dealing day on which the net redemptions exceed 5% in value (calculated on the current price) of the issued shares linked to that Fund;
- sold on a dealing day on which net sales of shares linked to a Fund exceed the same percentage.

Income Distributions

The Funds pay their annual distribution at the end of February, the GAM UK Equity Income also makes an interim distribution which is paid at the end of August.

Charges

An annual charge as listed below is deducted out of the property of the Company.

Fund	Institutional		
	A	& R	Z & ZII
GAM Credit Opportunities (GBP)	Up to 1.50%	Up to 1.10%	Up to 1.50%
GAM Continental European Equity	Up to 1.50%	Up to 1.00%	Up to 1.50%
GAM UK Equity Income	Up to 1.50%	Up to 0.75%	Up to 1.50%
GAM Disruptive Growth	Up to 1.50%	Up to 1.05%	Up to 1.50%
GAM North American Growth*	Up to 1.50%	Up to 0.90%	Up to 1.50%

* Fund closed 13 June 2022.

The Investment Adviser's periodic charge is calculated on each business day based on the value of the Property of the Fund on the immediate preceding business day and is paid monthly in arrears on the first business day of the calendar month immediately following.

The Depositary's fee is charged in accordance with the provisions of the Prospectus and is paid out of the assets of the Company. Certain other costs, such as dealing costs, Auditors' fees, administration fees, registration fees and custodian fees are also payable out of the assets of the Company.

Taxation for UK Shareholders

An individual shareholder who is resident (for tax purposes) in the United Kingdom is entitled to a £2,000 (2021/2022: £2,000) tax free dividend allowance. Dividends above this level are taxed at 7.5% (basic rate), 32.5% (higher rate) and 38.1% (additional rate).

Any gains arising to individual shareholders who are resident or ordinarily resident (for tax purposes) in the UK on disposal of their shares are, depending on their personal circumstances, subject to capital gains tax at 18% and 28% (the tax rate used depends on the total amount of taxable income). For 2022/2023 the first £12,300 (2021/2022: £12,300) of chargeable gains from all sources will be exempt from tax.

Corporate shareholders are subject to different treatment.

Prospectus

Further details concerning the Company are contained in the Prospectus, which is available on application to the ACD.

Reports and Accounts

The annual report of the Company will be published within four months of the year end and the half-yearly report within two months of the half year end in each year. Copies of the reports are available upon request from the ACD or via the internet at www.gam.com. The audited annual reports of the Master fund that is held by GAM Credit Opportunities (GBP) is available via the internet at www.gam.com.

Risks

The Funds are segregated portfolios of assets and, accordingly, the assets of a Fund belong exclusively to that Fund and shall not be used to discharge directly or indirectly the liabilities of, or claims against, any other person or body, including the Company or any other sub-fund, and shall not be available for any such purpose.

Events during the Year

On 31 January 2022, GAM Global Diversified changed its name to be GAM Disruptive Growth and Mark Hawtin replaced Kevin Kruczynski as Investment Adviser.

With effect from 8 February 2022, GAM Continental Europe will be a standalone fund and no longer invest in the master fund GAM Star Continental European Equity. The new investment strategy has changed as follow: The Fund invests at least two thirds of its assets in shares and equity related securities (such as warrants) of companies listed on or dealt in Eligible Markets within the European Union which are issued by companies which are headquartered in the European Union. Such investments may be made directly or indirectly through collective investment schemes and derivatives.

On 23 February 2022 a new prospectus of the Company was issued. GAM Global Eclectic Equity Fund which closed on 19 May 2020 has been removed from the Prospectus following FCA approval.

Andrew Pratt resigned as Director of GAM Sterling Management Limited on 22 March 2022.

On 13 June 2022, GAM North American Growth merged with GAM Disruptive Growth (formerly GAM Global Diversified). The merger was completed by an in-specie transfer of assets from GAM North American Growth to GAM Disruptive Growth.

Events after the year end

On 1 July 2022 a new prospectus of the Company was issued. GAM Emerging Equity which closed on 13 January 2022 has been removed from the Prospectus following FCA approval.

The Authorised Corporate Director of the Fund acknowledges the military actions engaged by Russia in Ukraine and its potential to negatively impact the markets in which the Fund's assets are invested. The ultimate impact on the Fund remains uncertain and can vary according to the countries, asset classes, industry sectors and securities they are invested in. The Authorised Corporate Director and Delegate Investment Adviser are closely monitoring the impact on the Fund including any impact on liquidity and liquidity management, fair valuation procedures, investment compliance breaches.

There has been no other significant events affecting the Company since the year end.

Contacts

Enquiries

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GAM on the internet: www.gam.com

*Effective from 31 May 2022, GAM Fund Management Limited has changed its registered address from George's Court, 54-62 Townsend Street, Dublin 2, D02 R156, Ireland to Dockline, Mayor Street, IFSC, Dublin, D01 K8N7, Ireland.

