

Close Select Global Equity Fund (Formerly Close Strategic Alpha Fund)

Interim Report & Financial Statements
for the period ended 30 September 2023 (unaudited)

Close Select Global Equity Fund (Formerly Close Strategic Alpha Fund) is an open-ended investment company, the objective of which is to provide capital growth.

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Investment Objective and Other Information

For the period ended 30 September 2023

Fund objective and policy

The investment objective of the Close Select Global Equity Fund (Formerly Close Strategic Alpha Fund) (the "Fund"/"Company") is to provide capital growth over the medium term (i.e., more than 5 years). The Fund also seeks to maintain a weighted average carbon intensity (tonnes of Scope 1 and 2 CO₂e per US\$m of revenue) below a benchmark of the MSCI All Countries World Index, targeting a level 50% below this benchmark by 2030 from 2019 baseline, and net zero by emissions by 2050.

The Fund will hold at least 80% of its portfolio in equities and equity-related securities of companies from anywhere in the world, in any sector and of any market capitalisation. This may include shares in smaller companies and companies listed in emerging markets. Equity related securities can include American depositary receipts (ADRs), global depositary receipts (GDRs) and other equity-related transferable securities.

The Fund uses a sustainable investment process to ensure that it is invested in a way that contributes to reducing greenhouse gas emissions. The investment universe is identified by the Investment Adviser using both quantitative and qualitative assessments.

There may be occasions where the Investment Adviser considers that it is prudent, given market conditions, to maintain higher levels of liquidity in the Fund. In such circumstances, the Investment Adviser may hold up to 20% of the Fund in other transferable securities not included in the equity-related component of the portfolio, collective investment schemes, fixed interest securities, money market instruments, deposits, cash and near cash.

The fixed interest component of the Fund may include government and corporate bonds (which may include emerging market and high yield bonds). These may be investment grade, sub-investment grade or unrated. The Fund may gain exposure to alternative asset classes, such as commodities, hedge funds, infrastructure, property and convertibles through investment in transferable securities.

The Fund may gain indirect exposure to alternative asset classes, such as commodities, infrastructure, property and convertibles through investment in transferable securities.

The Fund is actively managed and the allocation to particular asset classes may vary over time at the Investment Adviser's discretion and in response to changing market conditions. In normal market conditions, the allocation to equities will not fall below 80%.

The use of derivatives and/or hedging transactions are permitted in connection with the efficient portfolio management of the Fund, and borrowing will be permitted under the terms of the Regulations. However, it is not currently proposed to employ currency hedging strategies.

The Fund may, in addition to its other investment powers, use derivatives and forward transactions for investment purposes. It is not intended that the use of derivatives in this way will change the risk profile of the Fund.

Authorised Status and Report of the Authorised Corporate Director

The Authorised Corporate Director ("ACD") herewith presents the audited interim report and financial statements of the Fund for the period ended 30 September 2023.

The Close Select Global Equity Fund (formerly the Close Strategic Alpha Fund) is an investment company with variable capital incorporated in England and Wales. The Fund was authorised by the Financial Conduct Authority on 31 January 2008 as a non-UCITS retail scheme. On 2 May 2023 the Fund received FCA approval to convert from a non-UCITS retail scheme to a UK UCITS. This change in classification became effective on 30 June 2023. The Fund is incorporated in England and Wales with registered number IC000592.

Shareholders are not liable for the debts of the Company.

Certification of Financial Statements by Directors of the ACD

This report has been prepared in accordance with the Financial Conduct Authority's Collective Investment Schemes ("COLL") Sourcebook.



I.P. Wallace (Director)



R.C.S. Smith (Director)
CAM (UK) Ltd
24 November 2023

Investment Report

Market commentary

Fund performance

Following a restructuring on 30 June 2023 the Fund's name was changed from Close Strategic Alpha Fund. At the same time the Fund changed from a NURS to a UCITS Fund, and the Investment Objectives and Policy were also updated to reflect the formal adoption of a sustainable screening process. The Fund adopted a direct investment approach, having previously been run as a fund of funds and a new comparator benchmark (IA Global) was adopted (previously IA Flexible Investment). A summary of the Manager's Sustainability Policy and Investment Process can be found in Appendix 1 of the Prospectus.

Prior to the restructuring of the Fund detailed above, in the 3 months to end June 2023 the Fund reported a 2.09% positive return as compared to a 0.15% return on the Fund's then benchmark (IMA Flexible), representing a 1.95% outperformance over that 3-month period.

Over the 3 month period to end September (i.e. post the restructuring) equity markets returned -3.3%, a +0.7% gain in sterling terms as the pound weakened against the dollar. Central bank's monetary policy remained under the spotlight as inflation and weaker economic data drove a shift in investor focus from the level of peak rates, to how long rates would be held at a 'sufficiently restrictive' level, forcing markets lower. The refocused Fund returned 0.1% over the 3 month period 1 July to 30 September, outperforming its IA Global benchmark by 0.2%.

Post-restructuring, the Fund's initial positioning was broadly biased to defensive equities - aka businesses that exhibit through cycle, persistent earnings momentum - which allowed us to keep pace with market rallies and outperform in weaker markets. We strengthened this position during the period, adding resilient businesses at attractive valuations. Examples in short: Franco Nevada a precious metal focused royalty streamer; Prudential a pure play life insurance company keyed into Asian demographics; Compass Group a contract food-service company with resilient earnings and SBA Communications a defensive US towers business and interest rate reversal beneficiary. We also sought cyclical businesses where the earnings risk appeared overly discounted. Dover Corp, for example, is an industrial conglomerate manufacturing a diversified portfolio of products repositioned by new management. In funding this activity we reduced strong performers such as Becton Dickinson, a medical device manufacturer; Booz Allen an IT consultancy and Arthur J Gallagher a US insurance broker.

From here, our base case remains that recession is incoming and we are looking to replace outperforming holdings with fresh defensive stocks and buy new cyclical equities on profit warnings.

Fund Performance

Performance for the Fund over the last five years.

	3 months to 30/9/2023	Year to 30/9/2023
Close Select Global Equity Fund (Formerly Close Strategic Alpha Fund) X Accumulation*	0.1%	n/a
IA Flexible Investment Sector	(1.0%)	n/a

Source: Produced by CAM (UK) Ltd using Financial Express.

*As a consequence of the changes to the Investment Policy and Objectives, the comparator benchmark and the change of status from a NURS to UCITS Fund – all of which were introduced on 30 June 2023 - the past performance of the Fund is not considered an appropriate guide/comparator. Accordingly, the data prior to the change is not presented.

The percentage growth in prices is calculated using the published dealing price of shares in the X Accumulation share class (which may include a dilution adjustment to the mid-market value) in sterling with net revenue re-invested.

Shares are priced on a single mid-market basis.

Investment Report

continued

Risk and Reward Profile

The Fund currently has two types of share class in issue; I Accumulation and X Accumulation. Each type of share class has the same risk and reward profile which is as follows:

Synthetic Risk and Reward Indicator ("SRRI")

1	2	3	4	5	6	7
lower risks/ rewards			higher risks/ rewards			

The Fund is ranked at 6 because funds of this type have experienced high rises and falls in value in the past.

The SRRI table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data (the past 5 years), may change over time and may not be a reliable indication of the future risk profile of the Fund.

Past performance is not a reliable guide to future performance.

The lowest category does not mean risk free.

The rating does not reflect the possible effects of unusual market conditions or large unpredictable events.

The SRRI conforms to the ESMA guidelines regarding its calculation.

Investing in the Fund also carries the following risks:

Counterparty risk: The Fund could lose money if a counterparty with which it transacts becomes unwilling or unable to meet its obligations to the Fund.

Currency/Derivatives risk: The Fund invests in overseas assets, denominated in currencies other than Sterling. Investment risk/Focus risk: The Fund invests in equities globally. Share prices can rise or fall due to a number of factors affecting global stock markets. Moreover, the Fund's value may fall where it has concentrated exposure to an issuer or type of security that is heavily affected by an adverse event.

Investment risk/Focus risk: The Fund invests in equities globally. Share prices can rise or fall due to a number of factors affecting global stock markets. Moreover, the Fund's value may fall where it has concentrated exposure to an issuer or type of security that is heavily affected by an adverse event.

Sustainability strategy risk: The Fund is subject to screening criteria applied by the Investment Adviser which means that they will not to invest in certain sectors, companies and investments that conflict with the sustainability policy. This investment strategy may result in the Fund having a narrower range of eligible investments, which may in turn affect the Funds' performance.

Liquidity risk: In extreme market conditions, some securities held by the Fund may become hard to value or sell. In these circumstances, performance may be affected and redemptions in the Fund may need to be deferred or the Fund suspended for a period of time.

A more comprehensive list of the Fund's risks are contained in the "Risk Factors" section of the Prospectus.

Performance record

Net asset value

Accounting Date	Total Net Asset Value £'000	Net Asset Value per Share (p)	Number of Shares in issue
30/9/2023			
I Accumulation	1	100.08	1,000
X Accumulation	11,845	214.34	5,525,970
31/3/2023			
X Accumulation	11,725	210.44	5,571,724
31/3/2022			
X Accumulation	13,127	225.87	5,811,638
31/3/2021			
X Accumulation	12,982	223.84	5,799,705

Operating charges figure

Period to 30/9/2023		Year to 31/3/2023	
I Accumulation*	0.10%	I Accumulation	N/A
X Accumulation**	0.68%	X Accumulation	1.28%

*The I Accumulation class launched on 3 July 2023.

**The operating charge for the X Accumulation class has reduced significantly since the repositioning of the Fund. Prior to the repositioning, the Fund invested heavily in Collective Investment Schemes resulting in the operating charge incorporating a synthetic element relating to the underlying collective investment scheme holdings which amounted to an additional 0.60% of operating charge as at 31 March 2023.

The operating charges figure (OCF) represents the annual operating expenses of the Fund, the Fund Management Fee ("FMF"), expressed as a percentage of average net assets for the period/year - it does not include initial charges or performance fees.

Portfolio statement

as at 30 September 2023

Holding	Investment	Market Value GBP £'000	Percentage of Net Assets %
EQUITIES - 98.93% (31/3/2023 - 93.34%)			
United Kingdom - 12.19% (31/3/2023 - 20.97%)			
25,030	3i	519	4.38
11,390	Compass	227	1.92
25,150	RELX	698	5.89
		1,444	12.19
Europe - 28.89% (31/3/2023 - 14.63%)			
4,800	Alcon	305	2.57
5,500	Bayer	217	1.83
1,330	DCC	61	0.52
2,070	IMCD	216	1.83
720	LVMH Moet Hennessy Louis Vuitton	447	3.77
3,450	Merck	473	3.99
2,380	Moncler	114	0.96
5,800	Nestle	539	4.55
2,080	Pernod Ricard	285	2.41
1,576	Reply	122	1.03
2,520	Schneider Electric	343	2.90
3,020	Wolters Kluwer	300	2.53
		3,422	28.89
Asia Pacific (ex Japan) - 8.25% (31/3/2023 - 11.06%)			
9,400	AIA	63	0.53
7,320	HDFC Bank ADR	354	2.99
3,220	Prudential	29	0.25
13,000	Singapore Exchange	76	0.64
6,400	Taiwan Semiconductor Manufacturing	455	3.84
		977	8.25
Japan - 3.23% (31/3/2023 - 4.01%)			
18,100	Olympus	193	1.63
1,700	Tokyo Electron	190	1.60
		383	3.23
North America - 46.37% (31/3/2023 - 28.08%)			
2,680	Alphabet	287	2.42

Portfolio statement

continued

Holding	Investment	Market Value GBP £'000	Percentage of Net Assets %
North America continued			
3,540	Applied Materials	401	3.39
1,070	Arthur J Gallagher	200	1.69
8,019	Avantor	139	1.17
1,550	Becton Dickinson	328	2.77
630	Booz Allen Hamilton	56	0.47
5,460	Brown & Brown	313	2.64
3,520	Canadian Natural Resources	187	1.58
700	Casey's General Stores	156	1.32
1,950	Cenovus Energy	33	0.28
810	Cooper	211	1.78
2,480	Dover	284	2.40
490	Franco-Nevada	54	0.46
2,080	Marsh & McLennan	324	2.74
6,310	Performance Food	304	2.57
1,010	SBA Communications	166	1.40
900	Suncor Energy	26	0.22
940	Thermo Fisher Scientific	390	3.29
2,730	Tourmaline Oil	113	0.95
1,440	UnitedHealth	595	5.02
15,950	Valvoline	421	3.55
2,680	Visa	505	4.26
		5,493	46.37
Emerging Markets - 0.00% (31/3/2023 - 3.80%)			
Global - 0.00% (31/3/2023 - 10.79%)			
ALTERNATIVE - 0.00% (31/3/2023 - 3.88%)			
	Portfolio of investments	11,719	98.93
	Net other assets	127	1.07
	Total net assets	11,846	100.00

All securities are approved securities which are listed on an official stock exchange and/or traded on regulated markets, unless otherwise stated.

Financial statements

Statement of total return

for the period ended 30 September 2023

	GBP £'000	Period to 30/9/2023 GBP £'000	GBP £'000	Period to 30/9/2022 GBP £'000
Income				
Net capital gains/(losses)		187		(1,700)
Revenue	73		104	
Expenses	(40)		(41)	
Interest payable and similar charges	–		–	
Net revenue before taxation for the period	33		63	
Taxation	(4)		–	
Net revenue after taxation for the period		29		63
Total return before distributions		216		(1,637)
Distributions		(29)		(63)
Change in shareholders' funds from investment activities		187		(1,700)

Statement of change in shareholders' funds

for the period ended 30 September 2023

	GBP £'000	Period to 30/9/2023 GBP £'000	GBP £'000	Period to 30/9/2022 GBP £'000
Opening net assets		11,725		13,127
Amounts received on creation of shares	699		297	
Amounts paid on cancellation of shares	(794)		(465)	
		(95)		(168)
Change in shareholders' funds from investment activities		187		(1,700)
Retained distribution on accumulation shares		29		63
Closing net assets		11,846		11,322

The difference between the current period opening net assets attributable to shareholders and the closing net assets attributable to shareholders at the end of the comparative period is the movement in the second half of the year.

Financial statements

continued

Balance sheet

as at 30 September 2023

	GBP £'000	As at 30/9/2023 GBP £'000	GBP £'000	As at 31/3/2023 GBP £'000
ASSETS				
Fixed assets				
Investments		11,719		11,399
Current assets				
Debtors	6		169	
Cash and bank balances	154		176	
Total other assets		160		345
Total assets		11,879		11,744
LIABILITIES				
Creditors				
Other creditors	(33)		(19)	
Total other liabilities		(33)		(19)
Total liabilities		(33)		(19)
Net assets		11,846		11,725
Shareholders' funds		11,846		11,725

Notes to the Financial statements

Accounting policies

Basis of accounting

The financial statements have been prepared on a going concern basis in accordance with FRS 102 and the Statement of Recommended Practice 'Financial Statements of UK Authorised Funds' issued by the Investment Management Association (changed to The Investment Association in January 2015) in May 2014 (the "SORP") and amended in June 2017.

The ACD is confident that the Fund will continue in operation and be able to meet its liabilities as they fall due for at least the next twelve months from the approval of these financial statements. The Fund has adequate financial resources and its assets primarily consist of securities which are readily realisable. As such, the financial statements have been prepared on the going concern basis. No significant judgments, estimates or assumptions have been required in the preparation of the accounts for the current or preceding financial years.

All accounting and distribution policies used to prepare the interim financial statements are as per the audited financial statements for the year ended 31 March 2023.

Distribution table

For the period ended 30 September 2023

Interim dividend distribution in pence per share

Group 1: shares purchased prior to 1 April 2023

Group 2: shares purchased between 1 April 2023 and 30 September 2023

	Net Revenue per Share	Equalisation per Share	Distribution Payable per Share on 30/11/2023	Distribution Paid per Share on 30/11/2022
I Accumulation				
Group 1	0.2780	–	0.2780	n/a
Group 2	0.2780	–	0.2780	n/a
X Accumulation				
Group 1	0.5185	–	0.5185	1.0930
Group 2	0.2359	0.2826	0.5185	1.0930

Equalisation

This applies only to shares purchased during the distribution period (Group 2 shares). It is the average amount of revenue included in the purchase price of all Group 2 shares and is refunded to the holders of these shares as a return of capital; being capital it is not liable to Income tax but must be deducted from the cost of shares for Capital Gains tax purposes.

General Information

Launch date

14 July 2008

Accounting year end date

31 March

Fund Management Fee

The fund pays a Fund Management Fee of 0.10% and 0.68% of the value of the Fund to the ACD for I Accumulation and X Accumulation share classes respectively. This is deducted from revenue (or capital if there is insufficient revenue).

Registration fees

The Registrar charges a fee upon the number of account holders. The ACD may benefit from the Registrar servicing a number of Close funds.

Distributions

Where possible the Fund will declare an annual dividend in relation to the year ending 31 March each year, and a semi-annual dividend in relation to the period ending 30 September in each year.

Any distributions made will be paid to shareholders on or before the next following 31 July or 30 November, where applicable.

Share prices

Share prices are calculated daily at 12 noon and all dealings are currently on a forward price basis.

Prices for all CAM (UK) Ltd's range of authorised unit trusts and open-ended investment companies ("OEICS") are available on Close's website, www.closebrothersam.com/funds, or the website www.fundlistings.com or by contacting Close on 0370 606 6452*.

Minimum investment and Individual Savings Account (ISA)

The minimum initial lump sum investment in the Fund is £100,000 for I Accumulation shares (these shares are only available at the ACD's discretion) and £1,000 for X Accumulation shares. There is no maximum investment level. The Fund qualifies for stock and shares ISA investment. In the case of regular savers the minimum amount is £100 per month.

Taxation of the shareholder

Shareholders who are resident or ordinarily resident in the UK for UK tax purposes may, depending on their circumstances, be liable to UK Capital Gains Tax on the disposal of their shares.

An individual's first £12,300 of net gains on disposals in 2023/24 are exempt from UK Capital Gains Tax. Gains in excess of £12,300 are subject to tax at the Capital Gains tax rate of 10% where total taxable income and gains are £37,700 below or at 20% on total taxable income and gains above this threshold. Capital Gains and Income Tax rates and reliefs are always subject to change. Special rules apply to institutional investors and depositories.

Dilution levy/price swing

The actual cost to the Fund of purchasing or selling its investments may be higher or lower than the mid-market value used in calculating the share price, e.g. due to dealing charges or through dealing at prices other than the mid-market price. In normal circumstances these costs are charged to the Fund. Under certain circumstances (where the net movement of purchases and redemptions by shareholders is greater than 1% of assets under management) this may have an adverse effect on the interests of shareholders generally. In order to prevent this effect, called 'dilution', the ACD has the power to charge a dilution levy/price swing on the sale and/or redemption of the shares. The dilution levy/price swing will be applied at the outset and will be paid into and will become part of the Fund. The dilution levy/price swing for the Fund will be calculated by reference to the costs of dealing in the underlying investments of the Fund, including any dealing spreads, commission and transfers.

Prospectus and Key Investor Information Document

Copies of the prospectus and Key Investor Information Document of the Fund are available free of charge from the ACD or may be downloaded from our website <http://www.closebrothersam.com>.

*Calls to this number may be recorded for monitoring and training purposes.

General Information

continued

Risk Warnings

It is important to remember that the price of shares, and the revenue from them, can fall as well as rise and is not guaranteed and that investors may not get back the amount originally invested. Past performance is not a reliable indicator of future results. The issue of shares may be subject to an initial charge and this is likely to have an impact on the realisable value of your investment, particularly in the short term. You should always regard ICVC investment as long-term.

Securities Financing Transactions

The European Regulation on Reporting and Transparency of Securities Financing Transactions requires exposure to securities financing transactions ("SFTs") and total return swaps to be disclosed in reports and financial statements. During the period to 30 September 2023 and at the balance sheet date, the Fund did not use SFTs or total return swaps.

Value of shares

The value of shares and any amount of income from them is linked to the value of, and the amount of, revenue from the assets comprised in the property of the Fund.

The minimum price per share at which you may realise your shares will be determined by:

- i. Calculating the value on a single-mid price basis of the proportion of the assets comprised in the property of the Fund equal to the proportion of those assets represented by one share of the type concerned; and
- ii. Deducting an appropriate allowance for fiscal and sale charges.

The amount of income per share which may be received by a shareholder will be a proportion of the net amount of the income of the Fund for the relevant period (after allowing for management fees, provision for taxation, interest on borrowings and other expenses) equal to the proportion of that income represented by one share.

In this calculation, the value of the assets of the Fund will take account of accrued but unpaid management fees, any applicable taxes and other accruals.

Cancellation

If you invest in the Fund through a financial advisor, or after taking advice from an authorised intermediary, you have the right to cancel the agreement under the Financial Conduct Authority Conduct of Business Sourcebook Chapter 15.2 and you will be sent a cancellation notice. You may exercise your right to cancel by returning it to the ACD within 14 days. If you exercise this right, you will not get a full refund of the money you paid if the value of the investment falls before the cancellation notice is received by the ACD, because an amount equal to that fall in value will be deducted from any refund you would otherwise receive. Such a deduction will not be made from the first instalment paid into a regular savings scheme.

Customers dealing direct with the ACD are deemed to be Execution-only customers and will have no rights of cancellation, as outlined above.

Directory

ACD

CAM (UK) Ltd*

(Authorised and regulated by the Financial Conduct Authority)

Registered office: 10 Crown Place, London EC2A 4FT

Business address: 10 Crown Place, London EC2A 4FT

Correspondence address: PO Box 367, Darlington DL1 9RG

Telephone: Dealing only 0370 606 6402**

Directors

S.H. Forrest

C.J. Parry

E. Reynolds

A.J. Sippetts

R.C.S. Smith

I.P. Wallace

Investment Advisor

Close Asset Management Limited*

(Authorised and regulated by the Financial Conduct Authority)

10 Crown Place, London EC2A 4FT

Depository

The Bank of New York Mellon (International) Limited

(Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority)

160 Queen Victoria Street, London EC4V 4LA

Administrator & Registrar

The Bank of New York Mellon (International) Limited

(Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority)

Capital House, 2 Festival Square, Edinburgh EH3 9SU

Independent Auditor

Deloitte LLP

Statutory Auditor

9 Haymarket Square, Edinburgh EH3 8RY

Useful information

The information in this report is designed to enable shareholders to make an informed judgement on the activities of the Fund during the period and the results of those activities at the period end.

For more information about the activities and performance of the Fund during this and previous years, please contact the ACD at the address above.

Copies of the report and financial statements are available free of charge on request at www.closebrothersam.com or by calling 0370 606 6452**.

*The ACD (CAM (UK) Ltd) and the Investment Advisor (Close Asset Management Limited) are both subsidiaries of Close Brothers Group Plc. Authorised and regulated by the Financial Conduct Authority.

**Calls to these numbers may be recorded for monitoring and training purposes.

Close Brothers Asset Management

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www.closebrothersam.com

Close Brothers Asset Management is a trading name of Close Asset Management Limited (Registered number: 01644127) and CAM (UK) Ltd (Registered number: 02998803). Both companies are part of Close Brothers Group plc, are registered in England and Wales and are authorised and regulated by the Financial Conduct Authority. Registered office: 10 Crown Place, London EC2A 4FT.

VAT Registration No 245 5013 86.

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