



## Melchior Selected Trust

Semi-Annual Report and Unaudited Financial Statements  
For the financial period ended 30 June 2024



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## Directors and Administration

### THE FUND

#### Registered Office:

4, rue Peternelchen  
L-2370 Howald  
Grand Duchy of Luxembourg

#### Chairman of the Board of Directors of the Fund:

Mr. Yves Kuhn  
Independent External Director

#### Members of the Board of Directors:

Mr. Geoffroy Linard de Guertechin  
Independent External Director

Mr. Nicholas Farren  
Chief Operating Officer  
Polar Capital LLP

#### Auditors of the Fund:

Ernst & Young S.A.  
35E, Avenue J.F. Kennedy  
L-1855 Luxembourg  
Grand Duchy of Luxembourg

#### Investment Manager:

Polar Capital LLP  
16 Palace Street  
London SW1E 5JD  
United Kingdom

#### The Management Company:

ONE fund management S.A.  
4, rue Peternelchen  
L-2370 Howald  
Grand Duchy of Luxembourg

#### Depository:

Northern Trust Global Services SE  
10, rue du Château d'Eau  
L-3364 Leudelange  
Grand Duchy of Luxembourg

#### Global Distributor:

Polar Capital LLP  
16 Palace Street  
London SW1E 5JD  
United Kingdom

#### Domiciliation Agent:

ONE corporate S.à r.l.  
4, rue Peternelchen  
L-2370 Howald  
Grand Duchy of Luxembourg

#### Administrative, Paying, Registrar and Transfer Agent:

Northern Trust Global Services SE  
10, rue du Château d'Eau  
L-3364 Leudelange  
Grand Duchy of Luxembourg

#### Legal Advisor:

Arendt & Medernach S.A.  
41A, Avenue J.F. Kennedy  
L-2082 Luxembourg  
Grand Duchy of Luxembourg

#### European Facilities Agent:

Zeidler Legal Services LLP  
SouthPoint  
Herbert House  
Harmony Row  
Grand Canal Dock  
Dublin 2  
Ireland

#### Swiss Representative and Paying Agent:

Edmond de Rothschild (Suisse) S.A.  
18, Rue de Hesse  
CH-1204 Genève  
Switzerland

#### Spanish Paying Agent:

Allfunds Bank, S.A.  
Estafeta 6, La Moraleja  
Alcobendas  
28109 Madrid  
Spain

#### United Kingdom Facilities Agent:

Polar Capital LLP  
16 Palace Street  
London SW1E 5JD  
United Kingdom

## General Information

### Information to the Shareholders

Defined terms used are those used in Melchior Selected Trust's Prospectus (unless the context otherwise requires).

Annual reports and semi-annual reports are at the disposal of the shareholders with the administrative agent.

These periodical reports contain financial information regarding the Melchior Selected Trust (the "Fund"), the composition and evolution of its assets and its situation.

The shares of the Sub-Fund are presently not listed on the Luxembourg Stock Exchange.

The Key Information Documents (the "KIDs") are available at [www.polarcapital.co.uk](http://www.polarcapital.co.uk).

The full name of the Sub-Fund is constituted by the name of the Fund, Melchior Selected Trust, followed by a hyphen and the specific name of the Sub-Fund.

Throughout these Financial Statements, the Sub-Fund is referred by the short name:

- Melchior European Opportunities Fund

### Net Asset Value per Share

The Net Asset Value ("NAV") per Share of each class in respect of the Sub-Fund shall be determined in the Reference Currency of that class or Sub-Fund on every Business Day ("Valuation Day"). "Business Day" means a day on which banks and other financial institutions are open for business in Luxembourg City and in the United Kingdom.

The NAV of the shares of the Sub-Fund or Class is calculated by dividing the net assets of the Sub-Fund or Class by the total number of shares of the Sub-Fund or Class in issue at that time. The net assets of the Sub-Fund or Class correspond to the difference between the total assets and total liabilities attributable to such Sub-Fund or Class.

Where applicable, the Fund may, on the last day of the fiscal year, calculate two NAVs for the Sub-Fund concerned, one based on the principle of a portfolio valuation at the latest prices available at the time of calculating the price to be used for subscriptions, redemptions and conversions processed on that date and the other based on the principle of a portfolio valuation using the closing prices at year-end intended for publication in the audited annual report.

### Risk Management

The method used for the determination of the global exposure is the commitment approach for Melchior European Opportunities Fund.

### Additional information

#### SFTR (Securities Financing Transactions and of Reuse Regulation)

The Regulation on Transparency of Securities Financing Transactions and of Reuse (the "SFTR") entered into force on 12 January 2016 aiming to improve transparency in securities and commodities lending, repurchase transactions, margin loans and certain collateral arrangements. As of 30 June 2024, the Fund has not had significant exposure to transactions within the scope of the above Regulation.

#### Information to Shareholders in Switzerland

Edmond de Rothschild (Suisse) S.A., domiciled at 18, rue de Hesse, 1204 Geneva, Switzerland, duly authorised by the Swiss Financial Market Supervisory Authority (FINMA) as Swiss representative, acts as the Fund's representative and paying agent for the shares offered in Switzerland. The Prospectus, the KIDs, the Articles of Association, the annual and semi-annual reports of the Fund, as well as the list of the purchases and sales which the Fund has undertaken during the financial period, may be obtained, on simple request and free of charge from the Swiss representative.

The Total Expense Ratio (TER) as of **30 June 2024** for the Sub-Fund was calculated in accordance with the recommendations of Asset Management Association Switzerland (AMAS), approved by the Swiss Financial Market Supervisory Authority.

#### TER (Total Expense Ratio)

The TER represents the ratio of the total expenses, except transactions fees, annually supported by the Fund for the Sub-Fund. The calculation of the TER is based on the period from **1 July 2023** to **30 June 2024**. Where share classes are opened part way through the period, the figures are annualised in such cases.

The TER is calculated as follows:

TER = Total charges of the Sub-Fund / Average NAV of the Sub-Fund.

Average NAV of the Sub-Fund = Amount of NAVs over the year / number of valuation days.



## Performance of Melchior European Opportunities Fund:

| Class of shares                  | Date of Launch   | Performances *        |         |                       |        |                       |       |
|----------------------------------|------------------|-----------------------|---------|-----------------------|--------|-----------------------|-------|
|                                  |                  | NAV as at 31 Dec 2022 | 2022    | NAV as at 30 Dec 2023 | 2023   | NAV as at 30 Jun 2024 | 2024  |
| Class B EUR Accumulation Shares  | 27 May 2015      | 132.27                | -20.48% | 143.52                | 8.50%  | 152.26                | 6.09% |
| Class CS EUR Accumulation Shares | 30 April 2020    | 126.61                | -19.83% | 138.46                | 9.37%  | 147.49                | 6.52% |
| Class I EUR Accumulation Shares  | 4 May 2010       | 313.22                | -19.84% | 342.56                | 9.37%  | 364.92                | 6.53% |
| Class I EUR Distribution Shares  | 31 October 2022  | 103.61                | –       | 112.18                | 9.23%  | 119.24                | 6.29% |
| Class I GBP Accumulation Shares  | 4 May 2010       | 323.77                | -15.29% | 345.82                | 6.81%  | 360.42                | 4.22% |
| Class I USD Accumulation Shares  | 4 May 2010       | 255.35                | -24.77% | 289.05                | 13.20% | 298.72                | 3.35% |
| Class P EUR Accumulation Shares  | 23 December 2015 | 142.91                | -19.81% | 156.36                | 9.41%  | 166.58                | 6.54% |
| Class P EUR Distribution Shares  | 31 October 2022  | 103.61                | –       | 112.28                | 9.41%  | 119.31                | 6.26% |
| Class SI EUR Distribution Shares | 31 May 2024      | –                     | –       | –                     | –      | 1,938.31              | –     |
| Class X EUR Accumulation Shares  | 30 June 2012     | 300.34                | -19.16% | –                     | –      | –                     | –     |
| Class X GBP Accumulation Shares  | 30 June 2012     | 329.38                | -14.58% | 354.82                | 7.72%  | 371.36                | 4.66% |

\* Past Performance is not an indication of future results. These figures do not include redemption or subscription commissions and fees.



# Report on the Activities of the Fund\*

30 June 2024

## Melchior European Opportunities Fund

### Fund Performance

The Fund (Class I EUR Accumulation Shares) returned 6.5% in the first half of 2024, compared to a total return of 9.1% by the benchmark MSCI Europe Net Total Return Index (both figures in euro terms).

Although European equities in aggregate generated good returns year to date, it remained far from a risk-on environment. From our perspective as active, all-cap investors, it remained a challenging environment due to the high degree of concentration in the market, with poor breadth as investors clustered around a narrow band of companies and themes. European small and mid-caps continued to underperform the MSCI Europe Index, by -4.1% and -3.7% respectively.

Notwithstanding this sustained headwind, the Fund kept pace with the benchmark for most of the period until a challenging June (see below). This was due to the robust underlying operating performance of our companies, as well as strong absolute and relative returns from some of our larger positions. The FY23 earnings season from January to March showed that the portfolio generated earnings per share growth of 4% on an equal-weighted basis, which compared favourably with the -2% EPS decline recorded for the broader MSCI Europe index.

The lithography equipment leader ASML Holding (+156bps) was the leading contributor after reporting a record quarterly order intake in Q4 2023 that was more than two and a half times above expectations, underpinning a strong outlook for 2025, something the market had doubted only a few months before. As the semiconductor cycle showed signs of turning, ASML Holding stood out as one of the earliest names in the semiconductor capital equipment sector to see a material recovery in orders, given its long lead times and monopoly market position.

The European defence sector continued to perform well against a backdrop of geopolitical instability and a growing recognition in the capitals of Europe of the urgency for self-sufficiency in defence and security given the potential for another Trump administration in the US. The growth outlook for the sector continues to be extended, with a recent NATO report concluding that the alliance has only 5% of the air defence capabilities required to protect its eastern flank. Norwegian defence group Kongsberg Gruppen (+149bps) is a clear beneficiary and continues to ramp up capacity to meet strong demand, announcing a series of large orders during the period. We attended the company's capital markets day in Norway in June, in which the group presented credible targets to treble revenue over the next decade.

Spanish group Indra Sistemas (+73bps) was another leading contributor, which also reported better than expected results and held an ambitious but overall well-received capital markets day under its new CEO. Under the new plan, Indra Sistemas aspires to

lead the Spanish national defence ecosystem in less than 10 years. On an organic basis by 2026, it aims to deliver €5.3bn in revenues (7% CAGR) and €525m EBIT (15% CAGR). On top of this, it aims to undertake asset rotation and accelerate on M&A to deliver a combined €6bn of revenues (11% CAGR) and >€600m EBIT (20% CAGR). This would imply sizeable upside to consensus earnings forecasts and with the company's defence and air traffic management exposure expected to drive the majority of group EBITDA by 2026, this supported a further rerating of the stock given a sizeable 30-40% discount to defence peers.

Pharmaceutical company Laboratorios Farmaceuticos Rovi (Rovi) (+83bps) also performed well, first on the combination of better than expected profitability and then as the company confirmed it was exploring strategic options for its CDMO (contract development and manufacturing organisation) business. The news that Novo Nordisk would acquire three 'fill and finish' sites from US company Catalent for \$11bn, as part of a deal in which Novo Holdings acquired Catalent, highlighted the value of Rovi's fill and finish business, which accounts for half the group's revenue and a higher weighting of profit. Rovi has increased its fill and finish capacity by more than two times in the past four years which will leave it well placed to sign new commercial contracts as Catalent's capacity becomes captive to Novo Nordisk and the market becomes even more supply constrained. As the value of these assets became better understood by the market, we took advantage of this strong performance to take some profits in the stock.

Notwithstanding the contribution of Rovi, healthcare was the leading drag on the Fund's performance at the sector level (-170bps). Returns in the healthcare sector remained highly polarised between those companies expected to be beneficiaries of GLP-1 weight loss drugs and the rest. Novo Nordisk returned over 40% in the first half of the year and this alone cost the Fund -112bps of relative performance.

Other notable detractors we did own included two retailers, JD Sports Fashion (-60bps) and Watches of Switzerland (-41bps), that disappointed expectations, both reducing their earnings forecasts (see below) for more detail). Another disappointment came from the motion control group Stabilus (-45bps) which cut its earnings guidance by c-13% in June due to unexpected weakness in call-off volumes in its auto division ahead of the summer, with certain auto OEMs (original equipment manufacturer) extending seasonal shutdowns to manage inventories. This was unexpected given the warning came only a month after a number of insider share purchases by management. We do not consider this to be structural, as the shortfall was disproportionately driven by a reduction in electric vehicle (EV) production which should be temporary given a large number of new EV models in 2025, but management will need to rebuild credibility.

\* Indications and comparisons are historical and are not necessarily an indication of future results.





The period ended with a challenging month in June. European equities fell by 1% as political risk flared up in France following President Macron's decision to call a snap general election in the immediate aftermath of the disastrous European parliament elections, but returns were much worse below the surface. Market breadth was particularly weak, with a mean return of -3%, broadly in line with the Fund; according to Morgan Stanley, the proportion of stocks outperforming over the past month was the lowest since 2008.

Our French holdings, accounting for just over 14% of the Fund's assets, were the largest detractors in absolute terms, although they performed broadly in line with the French equity market. While the majority of our French exposure is in companies with diversified international exposure, with no exposure to French sectors more vulnerable to greater political risk, such as banks, utilities or toll roads, the selloff was fairly indiscriminate and especially acute further down the market-cap spectrum, even for well-diversified companies. They included the flavour and fragrance ingredients business Robertet (19% sales in France), asset manager Amundi (47% AuM in France), champagne house Laurent-Perrier (13% sales in France) and the animal health group Virbac (12% sales in France). While there may be further political volatility ahead, we do not believe this fundamentally alters the outlook for these companies, which already trade at attractive discounts to both peers and historical valuations and would warrant a buying opportunity.

### Market Review

Global equity markets demonstrated impressive resilience in the first half of 2024, with the MSCI World Index recording a gain of 12.1%, even as expectations for interest rate cuts were dialled back and economic data remained lacklustre. At the start of the year, financial markets were pricing in six rate cuts in the US in 2024, a divergence from the Federal Reserve's dot plot that was soon corrected, with just two rate cuts priced in by the end of June. Inflation data proved stickier than expected earlier in the year, but data in May and June showed a clear softening in both US inflation and the labour market that should allow the Fed to cut interest rates in September. In Europe, the ECB followed the lead of the Swiss National Bank and the Riksbank, which cut rates in Sweden by 25bps in May, when cutting interest rates by 25bps in June. Although this decision came with hawkish commentary, we would expect further cuts to come in the autumn given more evidence we are hearing from companies of disinflation against a subdued economic backdrop in Europe.

Although economic data showed stabilisation in Europe, there were few signs of recovery. As real incomes improved, there were some signs of improvement in the services sector but even this was uneven. Meanwhile, manufacturing surveys remained weak, with the euro manufacturing PMI sector now contracting (below 50) for two years. This is an extended contraction and while there are signs that destocking in many sectors is coming to an end, we are yet to see a notable pickup in re-ordering.

Although equities produced above average returns, these were highly concentrated with the so-called Magnificent Seven in the US accounting for around two-thirds of the returns in the S&P 500 and the more disparate GRANOLAS accounting for almost half the total return of the MSCI Europe Index. In Europe, small and mid-caps continue to trade at the largest discounts to large caps in the past 20 years. While the path of interest rates will be important to unlocking some of the value here, there were signs of a thaw.

European IPO markets, which have been largely frozen for the past two years, have tentatively re-opened and the Fund was able to participate in two new issues. Furthermore, there was a pickup in M&A in the first half of 2024, especially in the UK, and given the value in equity markets we would expect more to follow, especially when interest rates come down further.

### Fund activity

The Fund was active during the first half of the year, making seven new investments, which were funded with seven divestments.

In January, the Fund initiated a position in Bureau Veritas, a global leader in testing, inspection and certification services. We see this as an attractive defensive growth market, driven by multiple long-term structural trends including infrastructure needs, increasing complexity in supply chain management, accelerating digital transformation and energy transition. Supporting these are a wave of new capex investments to come from the EU green deal, the Inflation Reduction Act and Chips Act in the US, alongside increasing regulatory focus, particularly around sustainability. Among its peers, Bureau Veritas comes across as better positioned to capture these structural opportunities, through its exposure to marine, building and infrastructure, as well as renewables within its industry division, with a clear positioning in the environmental transition. Furthermore, there is considerable balance sheet flexibility, having deleveraged to just below 1x ND/EBITDA and below its peer group. With the stock trading at close to trough multiples, and at a discount to its closest peers despite having increased its diversification and with better organic growth potential, we saw this as a very attractive entry point. Since we made the investment, the company has reported stronger than expected revenue growth.

The Fund made another investment in France in February in Virbac in the animal health sector, a market expected to grow at 4-6% per year over the medium term. Virbac has attractive exposure to the companion animal market which accounts for 60% of its revenue, building on its heritage in companion animal vaccines since 1968. This market has shown remarkable resilience through economic cycles and benefits from a rising pet population, increased medicalisation and a greater propensity to spend on pets. Around 40% of revenue is from products related to food-producing animals where Virbac has demonstrated consistent outperformance versus the market. Building on these trends, the company should benefit from a more normal year in 2024 after the combination of destocking and disruption from a cyberattack constrained volumes in 2023. In addition, the company



## Report on the Activities of the Fund\* continued

30 June 2024

is likely to deploy its net cash balance sheet to increase exposure to the attractive vaccine category and provide confidence in its mid-term path to 20% EBIT margins. With the company trading at a 20% discount to its average long-term multiple, this presented an attractive entry point. The company reported better than expected growth in the first half of the year and lifted its targets for the year.

In March, the Fund initiated a position in Rotork, a leading global provider of mission-critical intelligent flow control solutions. Rotork is an attractive high-quality, asset-light manufacturing business with superior returns (RoCE 33%) and cash generation. The company is well positioned as an underappreciated play on global energy and industrial decarbonisation, due to benefit from a combination of supportive cyclical tailwinds in the energy market as well as structural trends of electrification, digitisation and automation. In particular, there is a material opportunity to drive electric adoption from the requirement to reduce methane emissions, mandated by the recent COP28 commitments alongside the US Environmental Protection Agency's Final Rule for oil and gas operations. Combined with a continued strategic focus on higher growth markets, this should underpin organic growth targets and we also see potential for the company to exceed its margin targets. The additional potential catalyst is the balance sheet, where the company has a strong net cash position of £134m, which provides the optionality for either accretive bolt-on M&A's or increasing shareholder returns.

As signs of life emerged in the hitherto dormant European IPO market, the Fund participated in the recent flotation of Puig Brands, a family-owned premium fragrance and beauty company headquartered in Barcelona. The company is attractively positioned in the fragrance category, its largest business, as well as dermatology. Within fragrances, we like that Puig Brands owns almost all its brands which we believe is a superior model relative to peers mainly operating under a licensee model. Additionally, there is also a longer-term diversification opportunity into makeup and skincare, where we also see potential for margin expansion as these businesses build scale. Last, there has been an excellent track record under CEO Marc Puig who has been instrumental in his strategic direction to focus on prestige, owned brands. Under his leadership since 2004, the company has increased its value market share in selective fragrance from 3% to nearly 11% in 2023 and has demonstrated a repeatable model of value creation through successful long-term partnerships with brand founders.

Another IPO in which the Fund participated was the French defence company Exosens, which took place in June in the window before the European elections. The subsequent selloff in French assets enabled us to build up our position, though the stock closed the month above its listing price. Exosens has a niche technology backbone in electro-optonics that it leverages to be designed into defence and commercial applications, often as sole supplier. Defence accounts for 70% of the group's revenues with a leading market position

in the supply of image intensifier tubes that are the key module in night vision goggles. The company has diversified into detection and imaging, 30% of revenue, where it serves the life science and industrial space. Exosens is expected to deliver high teens organic growth and 24% operating margin this year, a superior growth and margin profile that makes its valuation discount of 20% to the capital goods sector and 30% to the defence sector look anomalous and a compelling entry point.

In June, the Fund took advantage of a pullback to initiate a position in the world's largest cable manufacturer, Prysmian. Of the group's profit, 40% is from medium voltage power grid and high voltage renewable transmission cables, both of which are set to see strong market tailwinds in the medium term. We are increasingly confident that there is a structural investment wave required in the electric grid in Europe and North America. This is driven in particular by increasing electricity consumption and generation complexity as well as an ageing grid. Prysmian's power grid solutions account for a quarter of group profit and are set to grow strongly as it leverages its leading market position (up to 40% in North America) and its recent capacity additions in a tight supply/demand environment. The group also has a similarly strong market position in high voltage cables for renewable transmission. Its growth prospects are backed by its backlog that stands at 9.5x 2023 revenue. Its strong position and ability to cherry-pick projects should help the company execute this backlog at improving margins. These attractive growth prospects should support a lower discount to the sector.

We also bought back into the FMCG group Unilever, having sold our investment in 2022 after losing confidence in the previous management, whose abortive attempt to buy Haleon was the final straw. The appointment of new CEO Hein Schumacher is a meaningful upgrade and he has already made significant changes to the senior management and board and the organisational and incentive structure, as well as a rationalisation of less profitable SKUs (stock-keeping units), with a focus on accelerating organic growth and gross margin expansion. Importantly, re-investment of some of the gross margin gains in increased brand and marketing investment and capex is already yielding benefits with volume growth accelerating in an environment where many of its FMCG peers are seeing stagnant or declining volumes. With the stock trading towards the lower end of its 10-year valuation range and at a material discount to peers, even though the higher rated home and personal care divisions now account for 2/3 of revenue and set to move higher with the proposed divestment of its ice cream business, the risk/reward looks favourable.

\* Indications and comparisons are historical and are not necessarily an indication of future results.





At the start of the year, we sold our holding in the consumer products group Reckitt Benckiser, having exhausted our patience, with the margins and earnings recovery still elusive after nearly four years and two management teams after the original transformation plan. It is fair to say this was an investment in which we had been too patient, but the sale proved timely as the share price subsequently fell heavily after its Mead Johnson infant nutrition unit lost a state case in Illinois, leaving it facing significant liabilities in the US.

Another long-term holding we divested was the pharmaceutical group Roche. While the headline valuation is undemanding, we struggle to see how this will be corrected without further confidence in its pharmaceutical pipeline. A number of assets will face increasing competition in the mid-term and Roche's recent pipeline failures mean there is even more scrutiny than usual on its ability to deliver on its current late-stage assets or acquisition in-fills. Conviction here has been shaken by recent setbacks and we therefore concluded it was better to deploy capital elsewhere. Roche's diagnostics business is best-in-class and underrated as part of the overall group, but any value discovery or crystallisation of this asset is unlikely.

A short-lived investment was in the Swedish cooling systems company Munters Group, whose management we have met on multiple occasions and saw the stock price pull back in April as an attractive entry point into a company with strong structural growth drivers that was valued at a modest premium to the overall capital goods sector. Munter's dehumidification and cooling equipment are key systems in data centres and EV battery plants. In particular the company is benefiting from a buoyant data centre market in North America, which will be followed by a multi-year growth opportunity in Europe. The stock gained 40%+ in a month which did not allow us to build a full position. We subsequently sold the position after this rapid price appreciation.

We divested two holdings that reported disappointing earnings in the first half of the year. JD Sports Fashion issued its first profit warning in over a decade, cutting its profit guidance in January by 11% to reflect the impact of warmer weather and increasing promotional activity over the key festive selling period. While we appreciate that part of the downgrade – unseasonal weather – should not be extrapolated, one of the strengths of the JD Sports Fashion business has been execution and the ability to manage a variety of challenging retail environments. We also questioned whether the company's key brand partner Nike may have lost some of its innovation lead and pushed pricing too far. The episode diminished our confidence in the new management team and its ability to navigate a more challenging backdrop for its dominant brand and therefore took the decision to sell the position.

We also sold our small residual position in Watches of Switzerland Group. We had reduced the position significantly but retained a holding given its attractive valuation and longstanding relationship with the coveted Rolex brand. However, we now believe earnings expectations need to come down further, especially in the context of a softer market for luxury watches in both the UK and US in the year ahead. A decision by the UK to reinstate VAT-free shopping for tourists would be a material benefit for Watches of Switzerland and lead us to revisit it, however this is yet to materialise and we took the view this was now less likely.

The Fund also took profits in its holding in the Belgian cookies and snacks business Lotus Bakeries. Since we acquired the position in 2021, the management has done an outstanding job in a challenging environment, with the company exceeding our expectations both in terms of operational execution and earnings growth. Nevertheless, this has not gone unnoticed in the market and the stock has become the Hermes of biscuits, rating to a forward P/E of 50x. We found this difficult to justify, especially with revenue growth likely to slow in 2024, and made the reluctant decision to sell the position. We also took profits in the cash handling business Loomis, where we became more cautious on the pricing power and margin outlook of the business in Europe. Finally, we divested our holding in the Spanish testing and certification group Applus Services during a competitive bidding process for the company.

### Market outlook

Although real incomes in Europe are now improving, our discussions with companies across a range of sectors suggest it is getting harder to push pricing on to consumers. Disinflation today is an important prelude to interest rate cuts in the coming months. With a shift in the rates environment, we expect to see an improvement in market breadth, as has been the case in each of the three downward rate cycles in Europe over the past 30 years. European small and mid-caps, which have been the lightning rod for the multitude of concerns that have weighed on sentiment towards the region for nearly three years, look especially compelling.

As of 30 July 2024



## Statement of Net Assets

As at 30 June 2024

|                                     | Notes | Melchior European<br>Opportunities Fund<br>As at 30 June 2024<br>EUR | Combined<br>As at 30 June 2024<br>EUR |
|-------------------------------------|-------|--|---------------------------------------|
| <b>Assets</b>                       |       |  |                                       |
| <b>Portfolio:</b>                   |       |  |                                       |
| – Cost                              |       | 369,492,360.56   | 369,492,360.56                        |
| – Net unrealised result             |       | 83,519,490.77  | 83,519,490.77                         |
|                                     |       | 453,011,851.33   | 453,011,851.33                        |
| <b>Cash:</b>                        |       |  |                                       |
| – Cash at sight                     |       | 24,791,308.76  | 24,791,308.76                         |
| <b>Other assets:</b>                |       |  |                                       |
| – Receivable on subscriptions       |       | 149,836.59   | 149,836.59                            |
| – Bank interest receivable          |       | 38,366.34  | 38,366.34                             |
| – Dividend receivable               |       | 358,128.78   | 358,128.78                            |
| – Receivable for investments sold   |       | 2,374,190.87   | 2,374,190.87                          |
| – Other                             |       | 896,798.60   | 896,798.60                            |
|                                     |       | 481,620,481.27   | 481,620,481.27                        |
| <b>Liabilities</b>                  |       |  |                                       |
| <b>Bank overdraft</b>               |       |  |                                       |
| – Cash at sight                     |       | 296,643.61   | 296,643.61                            |
| <b>Other liabilities:</b>           |       |  |                                       |
| – Redemptions payable               |       | 22,910.81  | 22,910.81                             |
| – Payable for investments purchased |       | 2,742,527.98   | 2,742,527.98                          |
| – Taxes and expenses payable        |       | 1,044,028.02   | 1,044,028.02                          |
|                                     |       | 4,106,110.42   | 4,106,110.42                          |
| <b>Net Assets</b>                   |       | <b>477,514,370.85</b>  | <b>477,514,370.85</b>                 |

The notes are an integral part of these financial statements.



## Statement of Operations and Changes in Net Assets

For the period ended 30 June 2024

|  | Notes | Melchior European<br>Opportunities Fund<br>30 June 2024<br>EUR | Combined<br>30 June 2024<br>EUR |
|--|-------|--|---------------------------------|
| <b>Net assets at the beginning of the period</b> |       | 599,618,895.09   | 599,618,895.09                  |
| <b>Income</b>                                    |       |  |                                 |
| Income from investments:                         |       |  |                                 |
| – Dividends, net                                 |       | 7,515,887.16   | 7,515,887.16                    |
| – Bank interest, net                             |       | 208,330.18   | 208,330.18                      |
| Other income                                     |       | 475.45   | 475.45                          |
|  |       | 7,724,692.79   | 7,724,692.79                    |
| <b>Expenses</b>                                  |       |  |                                 |
| <b>Fees:</b>                                     |       |  |                                 |
| – Management fee                                 | 8     | (2,350,305.27)   | (2,350,305.27)                  |
| – Depository fees                                | 10    | (61,637.00)  | (61,637.00)                     |
| <b>Other expenses:</b>                           |       |  |                                 |
| – Annual tax                                     | 7     | (96,402.42)  | (96,402.42)                     |
| – Audit fees                                     |       | (8,928.41)   | (8,928.41)                      |
| – Transaction fees                               | 12    | (12,598.13)  | (12,598.13)                     |
| – Administration and other expenses              | 11,13 | (339,224.77)   | (339,224.77)                    |
|  |       | (2,869,096.00)   | (2,869,096.00)                  |
| <b>Net operating result</b>                      |       | 4,855,596.79   | 4,855,596.79                    |

The notes are an integral part of these financial statements.



## Statement of Operations and Changes in Net Assets continued

For the period ended 30 June 2024

|   | Notes | Melchior European<br>Opportunities Fund<br>30 June 2024<br>EUR | Combined<br>30 June 2024<br>EUR |
|---|-------|--|---------------------------------|
| Net realised result on                                      |       |  |                                 |
| – Sale of investments                                       |       | 39,212,668.29  | 39,212,668.29                   |
| – Forward foreign exchange contracts on currencies          |       | 5,189.16   | 5,189.16                        |
| – Foreign exchange  |       | (21,112.01)  | (21,112.01)                     |
| <b>Net realised result</b>                                  |       | 44,052,342.23  | 44,052,342.23                   |
| Change in net unrealised (depreciation)/appreciation on     |       |  |                                 |
| – Investments   |       | (9,049,028.09)   | (9,049,028.09)                  |
| – Foreign exchange  |       | 3,435.59   | 3,435.59                        |
| <b>Net increase in net assets as a result of operations</b> |       | 35,006,749.73  | 35,006,749.73                   |
| <b>Movements in capital</b>                                 |       |  |                                 |
| Subscription of shares                                      |       | 180,206,694.74   | 180,206,694.74                  |
| Redemption of shares  |       | (337,317,962.90)   | (337,317,962.90)                |
| Income distribution   |       | (5.81)   | (5.81)                          |
|   |       | (157,111,273.97)   | (157,111,273.97)                |
| <b>Net assets at the end of the period</b>                  |       | 477,514,370.85   | 477,514,370.85                  |

The notes are an integral part of these financial statements.



## Statistical Information

30 June 2024

## Melchior European Opportunities Fund

| Shares   | Class B EUR<br>Accumulation<br>Shares | Class CS EUR<br>Accumulation<br>Shares | Class I EUR<br>Accumulation<br>Shares | Class I EUR<br>Distribution<br>Shares | Class I GBP<br>Accumulation<br>Shares | Class I USD<br>Accumulation<br>Shares |
|--|---------------------------------------|--|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| Shares outstanding at the beginning of the period  | 190,148.4555                          | 33,748.8748                            | 1,471,008.1536                        | 11.3803                               | 10,614.3056                           | 41,291.5100                           |
| Subscription of shares                             | 119,487.8762                          | 4,129.0363                             | 13,732.6986                           | 0.0210                                | 1,298.1932                            | 248.0000                              |
| Redemption of shares                               | (16,786.8127)                         | (8,133.2510)                           | (884,146.2124)                        | –                                     | (3,910.6942)                          | (266.4064)                            |
| <b>Shares outstanding at the end of the period</b> | <b>292,849.5190</b>                   | <b>29,744.6601</b>                     | <b>600,594.6398</b>                   | <b>11.4013</b>                        | <b>8,001.8046</b>                     | <b>41,273.1036</b>                    |
| <b>Net asset value per share</b>                   | <b>EUR</b>                            | <b>EUR</b>                             | <b>EUR</b>                            | <b>EUR</b>                            | <b>GBP</b>                            | <b>USD</b>                            |
| <b>At the end of the period</b>                    | <b>152.26</b>                         | <b>147.49</b>                          | <b>364.92</b>                         | <b>119.24</b>                         | <b>360.42</b>                         | <b>298.72</b>                         |

| Shares   | Class P EUR<br>Accumulation<br>Shares | Class P EUR<br>Distribution<br>Shares | Class SI EUR<br>Distribution<br>Shares* | Class X GBP<br>Accumulation<br>Shares |
|--|---------------------------------------|---------------------------------------|---|---------------------------------------|
| Shares outstanding at the beginning of the period  | 311,339.7920                          | 11.3896                               | –                                       | 48.0000                               |
| Subscription of shares                             | 17,954.2260                           | 0.0309                                | 77,385.0000                             | –                                     |
| Redemption of shares                               | (62,497.1309)                         | –                                     | –                                       | –                                     |
| <b>Shares outstanding at the end of the period</b> | <b>266,796.8871</b>                   | <b>11.4205</b>                        | <b>77,385.0000</b>                      | <b>48.0000</b>                        |
| <b>Net asset value per share</b>                   | <b>EUR</b>                            | <b>EUR</b>                            | <b>EUR</b>                              | <b>GBP</b>                            |
| <b>At the end of the period</b>                    | <b>166.58</b>                         | <b>119.31</b>                         | <b>1,938.31</b>                         | <b>371.36</b>                         |

\* Share class launched on 31 May 2024.



## TER (Total Expense Ratio)

As at 30 June 2024

### Melchior European Opportunities Fund

|     | Class B EUR<br>Accumulation Shares | Class CS EUR<br>Accumulation Shares | Class I EUR<br>Accumulation Shares | Class I EUR<br>Distribution Shares |
|-----|------------------------------------|-------------------------------------|------------------------------------|------------------------------------|
| TER | 1.85%                              | 1.05%                               | 1.04%                              | 1.05%                              |

|     | Class I GBP<br>Accumulation Shares | Class I USD<br>Accumulation Shares | Class P EUR<br>Accumulation Shares | Class P EUR<br>Distribution Shares |
|-----|------------------------------------|------------------------------------|------------------------------------|------------------------------------|
| TER | 1.05%                              | 1.05%                              | 1.01%                              | 0.99%                              |

|     | Class SI EUR<br>Distribution Shares | Class X GBP<br>Accumulation Shares |
|-----|-------------------------------------|------------------------------------|
| TER | 0.81%                               | 0.20%                              |

\* Share class launched on 31 May 2024.





## Changes in the Number of Shares in Net Assets and in Net Asset Value per Share

As at 30 June 2024

### Melchior European Opportunities Fund

| Date      | Share Class                      | Number of shares<br>outstanding | Net Assets     | Ccy | Net asset value<br>per share |
|-----------|----------------------------------|---------------------------------|----------------|-----|------------------------------|
| 31.12.22  | Class B EUR Accumulation Shares  | 280,890.5705                    | 37,154,430.01  | EUR | 132.27                       |
|           | Class CS EUR Accumulation Shares | 46,377.7361                     | 5,871,675.04   | EUR | 126.61                       |
|           | Class I EUR Accumulation Shares  | 2,149,866.6383                  | 673,388,924.65 | EUR | 313.22                       |
| *31.10.22 | Class I EUR Distribution Shares  | 11.2804                         | 1,168.73       | EUR | 103.61                       |
|           | Class I GBP Accumulation Shares  | 9,540.4762                      | 3,088,889.98   | GBP | 323.77                       |
|           | Class I USD Accumulation Shares  | 60,822.1125                     | 15,531,064.62  | USD | 255.35                       |
|           | Class P EUR Accumulation Shares  | 680,745.6687                    | 97,284,738.94  | EUR | 142.91                       |
| *31.10.22 | Class P EUR Distribution Shares  | 159,100.2804                    | 16,484,856.05  | EUR | 103.61                       |
|           | Class X EUR Accumulation Shares  | 311.0000                        | 93,404.70      | EUR | 300.34                       |
|           | Class X GBP Accumulation Shares  | 48.0000                         | 15,810.42      | GBP | 329.38                       |
| 31.12.23  | Class B EUR Accumulation Shares  | 190,148.4555                    | 27,289,755.18  | EUR | 143.52                       |
|           | Class CS EUR Accumulation Shares | 33,748.8748                     | 4,672,992.91   | EUR | 138.46                       |
|           | Class I EUR Accumulation Shares  | 1,471,008.1536                  | 503,913,437.46 | EUR | 342.56                       |
|           | Class I EUR Distribution Shares  | 11.3803                         | 1,276.61       | EUR | 112.18                       |
|           | Class I GBP Accumulation Shares  | 10,614.3056                     | 3,670,683.91   | GBP | 345.82                       |
|           | Class I USD Accumulation Shares  | 41,291.5100                     | 11,935,396.42  | USD | 289.05                       |
|           | Class P EUR Accumulation Shares  | 311,339.7920                    | 48,679,731.35  | EUR | 156.36                       |
|           | Class P EUR Distribution Shares  | 11.3896                         | 1,278.77       | EUR | 112.28                       |
| *24.11.23 | Class X EUR Accumulation Shares  | 311.0000                        | 96,884.01      | EUR | 311.52                       |
|           | Class X GBP Accumulation Shares  | 48.0000                         | 17,031.34      | GBP | 354.82                       |
| *31.05.24 | Class SI EUR Distribution Shares | 5.0000                          | 10,000.00      | EUR | 2,000.00                     |
| 30.06.24  | Class B EUR Accumulation Shares  | 292,849.5190                    | 44,589,979.84  | EUR | 152.26                       |
|           | Class CS EUR Accumulation Shares | 29,744.6601                     | 4,387,087.93   | EUR | 147.49                       |
|           | Class I EUR Accumulation Shares  | 600,594.6398                    | 219,168,535.52 | EUR | 364.92                       |
|           | Class I EUR Distribution Shares  | 11.4013                         | 1,359.45       | EUR | 119.24                       |
|           | Class I GBP Accumulation Shares  | 8,001.8046                      | 2,884,003.18   | GBP | 360.42                       |
|           | Class I USD Accumulation Shares  | 41,273.1036                     | 12,329,212.79  | USD | 298.72                       |
|           | Class P EUR Accumulation Shares  | 266,796.8871                    | 44,443,221.39  | EUR | 166.58                       |
|           | Class P EUR Distribution Shares  | 11.4205                         | 1,362.57       | EUR | 119.31                       |
|           | Class SI EUR Distribution Shares | 77,385.0000                     | 149,996,382.34 | EUR | 1,938.31                     |
|           | Class X GBP Accumulation Shares  | 48.0000                         | 17,825.19      | GBP | 371.36                       |

\* First valuation.

\*\* Last valuation.



## Statement of Investments in Securities and Other Net Assets

30 June 2024

## Melchior European Opportunities Fund continued

| Quantity   | Description                               | Ccy | Cost          | Value per security | Market value  | % of net assets |
|--|---|-----|---------------|--------------------|---------------|-----------------|
| <b>Transferable securities and money market instruments admitted to an official stock exchange or dealt in on another regulated market</b> |   |     |               |                    |               |                 |
| <b>Equities</b>  |   |     |               |                    |               |                 |
| <b>Austria</b>   |   |     |               |                    |               |                 |
| 178,512.00   | Erste Group Bank AG                       | EUR | 5,408,837.88  | 44.240             | 7,897,370.88  | 1.66            |
| 135,553.00   | Schoeller-Bleckmann Oilfield Equipment AG | EUR | 7,467,205.76  | 37.800             | 5,123,903.40  | 1.07            |
|  | <b>Total Austria</b>                      |     | 12,876,043.64 |                    | 13,021,274.28 | 2.73            |
| <b>Belgium</b>   |   |     |               |                    |               |                 |
| 333,770.00   | Azelis Group NV                           | EUR | 7,742,395.76  | 16.760             | 5,593,985.20  | 1.17            |
| 407,525.00   | Recticel SA                               | EUR | 3,167,687.18  | 12.420             | 5,061,460.50  | 1.06            |
|  | <b>Total Belgium</b>                      |     | 10,910,082.94 |                    | 10,655,445.70 | 2.23            |
| <b>Denmark</b>   |   |     |               |                    |               |                 |
| 141,550.00   | Royal Unibrew A/S                         | DKK | 9,421,189.29  | 74.020             | 10,477,521.08 | 2.19            |
|  | <b>Total Denmark</b>                      |     | 9,421,189.29  |                    | 10,477,521.08 | 2.19            |
| <b>Finland</b>   |   |     |               |                    |               |                 |
| 678,799.00   | Nordea Bank Abp                           | SEK | 6,644,822.37  | 11.110             | 7,541,515.37  | 1.58            |
|  | <b>Total Finland</b>                      |     | 6,644,822.37  |                    | 7,541,515.37  | 1.58            |
| <b>France</b>  |   |     |               |                    |               |                 |
| 46,065.00  | Alten SA                                  | EUR | 4,705,784.21  | 102.500            | 4,721,662.50  | 0.99            |
| 132,681.00   | Amundi SA                                 | EUR | 7,942,956.49  | 60.250             | 7,994,030.25  | 1.67            |
| 311,496.00   | Bureau Veritas SA                         | EUR | 7,666,583.77  | 25.860             | 8,055,286.56  | 1.69            |
| 51,117.00  | Capgemini SE                              | EUR | 9,899,356.79  | 185.700            | 9,492,426.90  | 1.99            |
| 81,061.00  | Edenred SE                                | EUR | 4,116,188.50  | 39.410             | 3,194,614.01  | 0.67            |
| 209,407.00   | Exosens SAS                               | EUR | 4,361,247.50  | 21.210             | 4,441,522.47  | 0.93            |
| 69,019.00  | Laurent-Perrier                           | EUR | 6,882,610.72  | 113.000            | 7,799,147.00  | 1.63            |
| 19,705.00  | Robertet SA                               | EUR | 14,557,794.09 | 817.000            | 16,098,985.00 | 3.37            |
| 21,981.00  | Virbac SACA                               | EUR | 7,619,143.32  | 326.500            | 7,176,796.50  | 1.50            |
|  | <b>Total France</b>                       |     | 67,751,665.39 |                    | 68,974,471.19 | 14.44           |

The notes are an integral part of these financial statements.



| Quantity   | Description                          | Ccy | Cost          | Value per security | Market value  | % of net assets |
|--|--------------------------------------|-----|---------------|--------------------|---------------|-----------------|
| <b>Transferable securities and money market instruments admitted to an official stock exchange or dealt in on another regulated market</b> continued |                                      |     |               |                    |               |                 |
| <b>Equities</b> continued  |                                      |     |               |                    |               |                 |
| <b>Germany</b>   |                                      |     |               |                    |               |                 |
| 77,713.00  | Merck KGaA                           | EUR | 11,233,708.76 | 154.750            | 12,026,086.75 | 2.52            |
| 103,551.00   | Schott Pharma AG & Co KGaA           | EUR | 2,963,529.68  | 30.600             | 3,168,660.60  | 0.66            |
| 109,317.00   | Stabilus SE                          | EUR | 5,898,530.62  | 42.750             | 4,673,301.75  | 0.98            |
| 26,757.00  | STO SE & Co KGaA                     | EUR | 5,000,714.88  | 158.800            | 4,249,011.60  | 0.89            |
| <b>Total Germany</b>   |                                      |     | 25,096,483.94 |                    | 24,117,060.70 | 5.05            |
| <b>Ireland</b>   |                                      |     |               |                    |               |                 |
| 143,597.00   | CRH PLC                              | USD | 4,887,472.18  | 69.960             | 10,046,095.51 | 2.10            |
| 449,247.00   | Grafton Group PLC                    | GBP | 4,224,334.84  | 10.949             | 4,918,826.42  | 1.03            |
| 25,382.00  | Linde PLC                            | USD | 6,771,147.12  | 409.433            | 10,392,232.53 | 2.18            |
| 401,758.00   | Ryanair Holdings PLC                 | EUR | 7,716,653.17  | 16.330             | 6,560,708.14  | 1.37            |
| <b>Total Ireland</b>   |                                      |     | 23,599,607.31 |                    | 31,917,862.60 | 6.68            |
| <b>Italy</b>   |                                      |     |               |                    |               |                 |
| 417,360.00   | FinecoBank Banca Fineco SpA          | EUR | 4,130,074.44  | 13.920             | 5,809,651.20  | 1.22            |
| 570,364.00   | Infrastrutture Wireless Italiane SpA | EUR | 5,371,268.32  | 9.750              | 5,561,049.00  | 1.16            |
| 103,933.00   | Moncler SpA                          | EUR | 3,838,920.27  | 57.060             | 5,930,416.98  | 1.24            |
| 1,506,974.00   | Piaggio & C SpA                      | EUR | 4,016,324.46  | 2.776              | 4,183,359.82  | 0.88            |
| 83,345.00  | Prysmian SpA                         | EUR | 4,842,548.12  | 57.820             | 4,819,007.90  | 1.01            |
| 388,823.00   | Technoprobe SpA                      | EUR | 2,373,183.35  | 9.200              | 3,577,171.60  | 0.75            |
| <b>Total Italy</b>   |                                      |     | 24,572,318.96 |                    | 29,880,656.50 | 6.26            |
| <b>Jersey</b>  |                                      |     |               |                    |               |                 |
| 29,773.00  | Ferguson PLC                         | GBP | 2,493,630.98  | 179.693            | 5,349,990.58  | 1.12            |
| 1,229,929.00   | JTC PLC                              | GBP | 10,179,378.49 | 11.335             | 13,940,918.58 | 2.92            |
| <b>Total Jersey</b>  |                                      |     | 12,673,009.47 |                    | 19,290,909.16 | 4.04            |
| <b>Netherlands</b>   |                                      |     |               |                    |               |                 |
| 145,357.00   | Aalberts NV                          | EUR | 7,230,180.15  | 37.920             | 5,511,937.44  | 1.15            |
| 25,790.00  | ASML Holding NV                      | EUR | 7,891,057.12  | 964.200            | 24,866,718.00 | 5.21            |
| 282,834.00   | ASR Nederland NV                     | EUR | 9,004,065.24  | 44.510             | 12,588,941.34 | 2.64            |
| 100,694.00   | Heineken NV                          | EUR | 9,316,500.20  | 90.300             | 9,092,668.20  | 1.90            |
| 214,881.00   | QIAGEN NV                            | EUR | 9,331,149.17  | 38.550             | 8,283,662.55  | 1.74            |
| <b>Total Netherlands</b>   |                                      |     | 42,772,951.88 |                    | 60,343,927.53 | 12.64           |

The notes are an integral part of these financial statements.



## Statement of Investments in Securities and Other Net Assets continued

30 June 2024

## Melchior European Opportunities Fund continued

| Quantity   | Description                        | Ccy | Cost          | Value per security | Market value  | % of net assets |
|--|------------------------------------|-----|---------------|--------------------|---------------|-----------------|
| <b>Transferable securities and money market instruments admitted to an official stock exchange or dealt in on another regulated market</b> continued |                                    |     |               |                    |               |                 |
| <b>Equities</b> continued  |                                    |     |               |                    |               |                 |
| <b>Norway</b>  |                                    |     |               |                    |               |                 |
| 139,687.00   | Kongsberg Gruppen ASA              | NOK | 3,045,468.89  | 76.239             | 10,649,619.62 | 2.23            |
|  | <b>Total Norway</b>                |     | 3,045,468.89  |                    | 10,649,619.62 | 2.23            |
| <b>Portugal</b>  |                                    |     |               |                    |               |                 |
| 577,549.00   | Corticeira Amorim SGPS SA          | EUR | 5,528,574.05  | 9.010              | 5,203,716.49  | 1.09            |
|  | <b>Total Portugal</b>              |     | 5,528,574.05  |                    | 5,203,716.49  | 1.09            |
| <b>Spain</b>   |                                    |     |               |                    |               |                 |
| 106,096.00   | Amadeus IT Group SA                | EUR | 6,827,986.81  | 62.140             | 6,592,805.44  | 1.38            |
| 982,122.00   | Bankinter SA                       | EUR | 4,344,627.12  | 7.626              | 7,489,662.37  | 1.57            |
| 331,045.00   | Fluidra SA                         | EUR | 4,955,788.10  | 19.490             | 6,452,067.05  | 1.35            |
| 659,202.00   | Indra Sistemas SA                  | EUR | 7,699,456.05  | 19.310             | 12,729,190.62 | 2.67            |
| 99,333.00  | Laboratorios Farmaceuticos Rovi SA | EUR | 2,852,441.16  | 87.550             | 8,696,604.15  | 1.82            |
| 140,452.00   | Puig Brands SA                     | EUR | 3,446,884.59  | 26.100             | 3,665,797.20  | 0.77            |
| 62,207.00  | Viscofan SA                        | EUR | 3,401,323.46  | 61.500             | 3,825,730.50  | 0.80            |
|  | <b>Total Spain</b>                 |     | 33,528,507.29 |                    | 49,451,857.33 | 10.36           |
| <b>Sweden</b>  |                                    |     |               |                    |               |                 |
| 199,327.00   | Thule Group AB                     | SEK | 5,676,177.84  | 24.493             | 4,882,174.14  | 1.02            |
| 201,444.00   | Trelleborg AB                      | SEK | 4,343,921.99  | 36.335             | 7,319,397.49  | 1.54            |
|  | <b>Total Sweden</b>                |     | 10,020,099.83 |                    | 12,201,571.63 | 2.56            |
| <b>Switzerland</b>   |                                    |     |               |                    |               |                 |
| 85,635.00  | Cie Financiere Richemont SA        | CHF | 9,487,748.82  | 145.627            | 12,470,798.37 | 2.61            |
| 4,450.00   | Inficon Holding AG                 | CHF | 2,518,498.13  | 1,418.374          | 6,311,764.64  | 1.32            |
| 1,177.00   | Interroll Holding AG               | CHF | 1,692,547.44  | 2,751.604          | 3,238,638.11  | 0.68            |
| 117,818.00   | Nestle SA                          | CHF | 9,634,836.83  | 95.237             | 11,220,592.17 | 2.35            |
|  | <b>Total Switzerland</b>           |     | 23,333,631.22 |                    | 33,241,793.29 | 6.96            |

The notes are an integral part of these financial statements.



| Quantity   | Description                     | Ccy | Cost           | Value per security | Market value   | % of net assets |
|--|---------------------------------|-----|----------------|--------------------|----------------|-----------------|
| <b>Transferable securities and money market instruments admitted to an official stock exchange or dealt in on another regulated market</b> continued |                                 |     |                |                    |                |                 |
| <b>Equities</b> continued  |                                 |     |                |                    |                |                 |
| <b>United Kingdom</b>  |                                 |     |                |                    |                |                 |
| 1,180,264.00   | Breedon Group PLC               | GBP | 5,364,933.61   | 4.565              | 5,387,385.92   | 1.13            |
| 156,100.00   | Diageo PLC                      | GBP | 5,080,068.00   | 29.363             | 4,583,560.78   | 0.96            |
| 67,293.00  | Games Workshop Group PLC        | GBP | 4,987,829.81   | 125.850            | 8,468,807.69   | 1.77            |
| 119,021.00   | Genus PLC                       | GBP | 3,873,504.35   | 19.461             | 2,316,303.70   | 0.49            |
| 686,748.00   | Howden Joinery Group PLC        | GBP | 5,328,102.98   | 10.362             | 7,115,855.67   | 1.49            |
| 174,703.00   | Intermediate Capital Group PLC  | GBP | 2,875,647.34   | 25.736             | 4,496,173.59   | 0.94            |
| 79,345.00  | London Stock Exchange Group PLC | GBP | 6,048,855.56   | 110.870            | 8,797,015.95   | 1.84            |
| 130,973.00   | Renishaw PLC                    | GBP | 6,667,505.40   | 43.640             | 5,715,726.78   | 1.20            |
| 1,606,921.00   | Rotork PLC                      | GBP | 6,277,037.67   | 3.972              | 6,383,436.91   | 1.34            |
| 93,373.00  | Unilever PLC                    | EUR | 4,857,538.08   | 51.280             | 4,788,167.44   | 1.00            |
| 1,502,083.00   | Volution Group PLC              | GBP | 6,356,881.29   | 5.319              | 7,990,214.43   | 1.67            |
| <b>Total United Kingdom</b>  |                                 |     | 57,717,904.09  |                    | 66,042,648.86  | 13.83           |
| <b>Total Equities</b>  |                                 |     | 369,492,360.56 |                    | 453,011,851.33 | 94.87           |
| <b>Total transferable securities and money market instruments admitted to an official stock exchange or dealt in on another regulated market</b>     |                                 |     | 369,492,360.56 |                    | 453,011,851.33 | 94.87           |
| <b>Total investments in securities</b>   |                                 |     | 369,492,360.56 |                    | 453,011,851.33 | 94.87           |
| Cash/(bank overdraft)  |                                 |     |                |                    | 24,494,665.15  | 5.13            |
| Other assets and liabilities   |                                 |     |                |                    | 7,854.37       | –               |
| <b>Total Net Assets</b>  |                                 |     |                |                    | 477,514,370.85 | 100.00          |

The notes are an integral part of these financial statements.



## Geographical Classification of the Investments on Securities

As of 30 June 2024

### Melchior European Opportunities Fund

| Countries of incorporation             | % of<br>net assets |
|--|--------------------|
| France                                 | 14.44              |
| United Kingdom                         | 13.83              |
| Netherlands                            | 12.64              |
| Spain                                  | 10.36              |
| Switzerland                            | 6.96               |
| Ireland                                | 6.68               |
| Italy                                  | 6.26               |
| Germany                                | 5.05               |
| Jersey                                 | 4.04               |
| Austria                                | 2.73               |
| Sweden                                 | 2.56               |
| Belgium                                | 2.23               |
| Norway                                 | 2.23               |
| Denmark                                | 2.19               |
| Finland                                | 1.58               |
| Portugal                               | 1.09               |
| <b>Total investments in securities</b> | <b>94.87</b>       |
| Other assets and liquid assets         | 5.13               |
| <b>Net Assets</b>                      | <b>100.00</b>      |

The notes are an integral part of these financial statements.





## Economic Classification of the Investments on Securities

As of 30 June 2024

### Melchior European Opportunities Fund

| <b>Economic Sectors</b>                | <b>% of net assets</b> |
|--|------------------------|
| Industrials                            | 22.14                  |
| Financials                             | 16.04                  |
| Technology                             | 13.32                  |
| Materials                              | 12.73                  |
| Consumer Staples                       | 11.29                  |
| Consumer Discretionary                 | 10.04                  |
| Health Care                            | 8.24                   |
| Energy                                 | 1.07                   |
| <b>Total investments in securities</b> | <b>94.87</b>           |
| Other assets and liquid assets         | 5.13                   |
| <b>Net assets</b>                      | <b>100.00</b>          |



# Notes to the Financial Statements

30 June 2024

## 1. General

The Fund is an investment company organised under the laws of the Grand Duchy of Luxembourg as a Société d'Investissement à Capital Variable ("SICAV") incorporated on 6 March 2006. It is governed by Part I of the modified Law of 2010 and it qualifies as a SICAV complying with the provisions of the law of 17 December 2010 regarding Undertakings for Collective Investment, as amended.

The revised Articles of Incorporation have been published in the Mémorial C, Recueil des Sociétés et Associations (the "Mémorial") of 7 May 2015 and have been filed with the Registre de Commerce et des Sociétés on 25 March 2015. Any interested person may inspect these documents at the Chancery of the Registre de Commerce et des Sociétés. Copies are available on request at the registered office of the Fund. The Fund is registered at the Registre de Commerce et des Sociétés under the number B 114.615.

The Board of Directors has resolved to appoint ONE Fund Management S.A. as the Management Company of the Fund.

The capital of the Fund is at any time equal to the total net assets of the Sub-Fund, and is expressed in euros ("EUR").

The Fund is an "umbrella fund" which consists of a separate portfolio of assets for the Sub-Fund and invested in accordance with the investment objective applicable to the Sub-Fund.

As of 30 June 2024, the following Sub-Fund is available to investors:

- Melchior European Opportunities Fund

The Fund issues Shares of different classes reflecting the Sub-Fund. As of 30 June 2024, the following share classes are available to investors:

- Class B Shares which are denominated in:  
Class B – EUR Accumulation Shares
- Class CS Shares which are denominated in:  
Class CS – EUR Accumulation Shares
- Class I Shares which are denominated in:  
Class I – EUR Accumulation Shares  
Class I – EUR Distribution Shares  
Class I – GBP Accumulation Shares  
Class I – USD Accumulation Shares
- Class P Shares which are denominated in:  
Class P – EUR Accumulation Shares  
Class P – EUR Distribution Shares
- Class SI which are denominated in:  
Class SI – EUR Distribution Shares (launched on 31 May 2024)
- Class X Shares which are denominated in:  
Class X – GBP Accumulation Shares

Class X shares of a Sub-Fund are restricted to investors comprising other Sub-Funds of the Fund and such other investors as approved by the Board of Directors, which may include investors which are party to a discretionary management agreement with the Investment Manager or one of its affiliates.



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## 2. Presentation basis of Financial Statements

The financial statements are based on the last official net asset value of the financial period (28 June 2024).

The financial statements of the Fund are expressed in EUR. Consequently, net assets and net results of Sub-Fund expressed in a foreign currency other than EUR are converted and combined in EUR at the exchange rate applicable at the date of the financial statements.

The Fund prepares its financial statements under going concern basis of accounting following generally accepted principle in Luxembourg ("Luxembourg GAAP").

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities during the reporting period. Actual results could differ from those estimates.

## 3. Summary of Significant Accounting Policies

### a) Valuation of the investments

The value of any securities listed or exchanged on a stock exchange or regulated market is calculated on the basis of the last available price.

In the event that the securities held in the portfolio on the relevant valuation date are not listed or exchanged on a stock exchange or another regulated market or if the price as determined pursuant to paragraph above is not representative of the fair market value of the relevant securities, the value of such securities is determined based on the reasonably foreseeable sales price determined prudently and in good faith by the Board of Directors of the Fund.

### b) Net realised gain or loss on sales of investments

Net realised gain or loss on sales of investments are calculated on the basis of the average cost of the investments sold.

### c) Translation of foreign currencies

Bank accounts, other net assets and market value of the investments in securities expressed in currencies other than the Sub-Fund's reporting currency are converted into the reporting currency at the exchange rates prevailing on the date of the balance sheet. Income and expenses in currencies other than the Sub-Fund's reporting currency are converted at the rate of exchange prevailing at payment date.

### d) Formation expenses

Formation expenses are amortised on a straight-line basis over a period of five years.

In the event that any additional Sub-Fund is set up within the Fund, then the following amortisation rules shall apply: the costs and expenses for setting-up such additional Sub-Fund shall be borne by all Sub-Funds and will be written off over a period of five years and the additional Sub-Fund shall bear a pro rata of the costs and expenses incurred in connection with the creation of the Fund and the initial issue of Shares, which have not already been written off at the time of the creation of the additional Sub-Fund.

### e) Income and expense recognition

Dividends are recorded on the date upon which the relevant investments are first listed as ex-dividend.

Interest income is accrued on a daily basis. Income is recorded net of withholding tax, if any.

Expenses are accounted for on accrual basis. Expenses are included in the statement of operations and changes in net assets except for expenses incurred on the acquisition of an investment which are included within the cost of that investment. Expenses arising on the disposal of investments are deducted from the disposal proceeds.

### f) Valuation of futures and options

Realised gains or losses on futures and options and changes in unrealised gains or losses are included in the Statement of Operations and Changes in Net Assets.

### g) Forward foreign exchange contracts

Forward foreign exchange contracts are valued at the forward rate applicable at the Statement of Net Assets date for the remaining period until maturity.



### 3. Summary of Significant Accounting Policies continued

Realised and unrealised gains or losses resulting from forward foreign exchange contracts are recognised in the Statement of Operations and Changes in Net Assets under the captions net realised result on foreign exchange and change in net unrealised appreciation/(depreciation) on forward foreign exchange contracts on currencies.

As of 30 June 2024, the unrealised gain or loss result on the outstanding forward foreign exchange contract(s) on currencies is included in the Statement of Operations and Changes in Net Assets.

#### h) Valuation of contracts for difference

Contracts for difference are valued based on the closing market price of the underlying security, out of any financing charges attributable to each contract. Upon entering into contracts for difference, the Fund may be required to pledge to the broker an amount of cash and/or other assets equal to a certain percentage of the contract amount ("initial margin").

Subsequently, payments known as "variation margin" are made or received by the Fund periodically, depending on fluctuations in the value of the underlying security. During the period the contracts are open, changes in the value of contracts are recognised as unrealised gains and losses by marking to market at each valuation point in order to reflect the value of the underlying security. Realised gains or losses upon closure of the contract are equal to the difference between the value of the contract at the time it was opened and the value at the time it was closed.

Dividends attributable to open contracts for difference are included in the value of the unrealized gain/(loss) at the end of the period.

The contracts are subject to a daily financing charge and income, usually applied at a previously agreed rate, which is accounted for as net interest on contracts for difference. All revenues arising from contracts for difference, net of direct and indirect operational costs and fees, will be returned to the Sub-Fund.

As of 30 June 2024, the Sub-Fund holds no open contracts for difference.

### 4. Other Assets

The item "Other assets" includes mainly dividends receivable on contracts for difference and receivable on forward foreign exchange transactions.

### 5. Cross-investments between Sub-Funds

A Sub-Fund may subscribe, acquire and/or hold units to be issued or issued by one or more Sub-Funds of the Fund under the condition that:

- the target Sub-Fund does not, in turn, invest in the Sub-Fund invested in this target Sub-Fund; and
- no more than 10% of the assets of the target Sub-Funds whose acquisition is contemplated, may be invested in aggregate in units of other UCIs; and
- voting rights, if any, attaching to the relevant securities are suspended for as long as they are held by the Sub-Fund concerned and without prejudice to the appropriate processing in the accounts and the periodic reports; and
- in any event, for as long as these securities are held by the Fund, their value will not be taken into consideration for the calculation of the net assets of the Fund for the purposes of verifying the minimum threshold of the net assets imposed by the Law of 2010.

There is no duplication of management/subscription or redemption fees between those at the level of the Sub-Fund having invested in the target Sub-Fund, and the target Sub-Fund.

As of 30 June 2024, the Sub-Fund holds no cross-investments.



## 6. Exchange rates as of 30 June 2024

|   |     |   |          |     |
|---|-----|---|----------|-----|
| 1 | EUR | = | 0.96307  | CHF |
| 1 | EUR | = | 7.45745  | DKK |
| 1 | EUR | = | 0.84784  | GBP |
| 1 | EUR | = | 11.41146 | NOK |
| 1 | EUR | = | 11.35005 | SEK |
| 1 | EUR | = | 1.07175  | USD |

## 7. Annual Tax

The Fund is governed by the Luxembourg taxation laws.

Under the currently applicable legislation and regulation, the Fund is liable in Luxembourg to a tax (the “subscription tax”) on its assets at an annual rate of 0.01% for Class P Shares and Class SI Shares and 0.05% for Class B Shares, Class CS Shares, Class I Shares and Class X Shares, such tax being payable quarterly and calculated on the basis of the net assets at the end of the relevant quarter.

The value of assets represented by shares held in other undertakings for collective investment already subject to the subscription tax is free from such taxation.

Under current law and practice, the Fund is not liable to Luxembourg taxes on income or capital gains, nor are dividends paid by the Fund liable to any Luxembourg withholding tax.

Interests, dividends and capital gains on securities may be subject to withholding or capital gains taxes in certain countries.

## 8. Investment Management Fee

### Investment Manager

The Board of Directors has appointed Polar Capital LLP as Investment Manager.

The fee of the Investment Manager for its services is as follows:

| Share Class                                  | Investment Management Fee |
|--|---------------------------|
| <b>Melchior European Opportunities Fund:</b> |                           |
| Class B                                      | 1.65%                     |
| Classes CS, I and P                          | 0.85%                     |
| Class SI                                     | 0.65%                     |
| Class X                                      | None                      |

The investment management fee is payable in arrears at the end of each month out of the assets of the Sub-Fund and calculated on the average of the net assets of the Sub-Fund as at each Valuation Day.

The Investment Manager may from time to time and at its sole discretion and out of its own resources, decide to rebate to some or all shareholders part or all of its fees on eligible share classes.

## 9. Management Company Fees

The Board of Directors has appointed ONE Fund Management S.A. as Management Company of the Fund (“Management Company”) to perform investment management, administration, and marketing functions as described in Annex 2 of the 2010 Law pursuant to an agreement entered into between the Fund and the Management Company (“Fund Management Company Agreement”) which may be terminated by a written prior notice given three months in advance by either party to the other.

The Management Company will receive from the Fund a fee (namely, the “Fund Management Fee”) payable in arrears at the end of each calendar month, calculated and accrued on each Valuation Day at a rate per annum of 0.03% of the NAV of the Fund.



## 10. Depositary Bank

The Fund has appointed Northern Trust Global Services SE, as depositary of its assets pursuant to a Depositary Bank Agreement. The Depositary will, in accordance with the Luxembourg laws and the Depositary Bank Agreement:

- (i) ensure that the sale, issue, conversion, repurchase, redemption and cancellation of the shares of the Fund are carried out in accordance with Luxembourg laws and the Articles;
- (ii) ensure that the value of the shares of the Fund is calculated in accordance with Luxembourg laws and the Articles;
- (iii) carry out the instructions of the Fund and the Management Company, unless they conflict with Luxembourg laws or the Articles;
- (iv) ensure that in transactions involving the Fund's assets any consideration is remitted to the Fund within the usual time limits; and
- (v) ensure that the Fund's income is applied in accordance with Luxembourg laws and the Articles.

The Depositary fees will be paid directly by the Fund to either the Depositary or to the Administrator which will then be in charge to pay the Depositary. In addition to the above mentioned fees, the Depositary is entitled to any other fees for specific services and transactions as agreed from time to time between the Fund and the Depositary and disclosed in the agreements. The Depositary is further entitled to be reimbursed by the Fund for their respective reasonable out-of-pocket expenses properly incurred in carrying out their duties as such and for the charges of any correspondents.

For the provision of the service, the fees charged to the Fund by the Depositary, shall amount to a maximum of 0.12% per annum of the average net assets of the relevant Sub-Fund, subject to annual minimum fees of EUR 13,000 per Sub-Fund per annum for the Depositary. Such fees will be calculated quarterly on the basis of the average net assets of the Sub-Fund during the relevant quarter.

## 11. Domiciliary Agent

The Domiciliation Agent will receive from the Fund a fee in accordance with the Domiciliation and Corporate Services agreement executed between the Fund and the Domiciliation Agent.

## 12. Transactions Fee

The total amount of transaction fees is included in the Statement of Operations and Changes in Net Assets and includes Depositary and Sub-Depositary fees, Correspondent's expenses and Brokerage fees.

## 13. Directors Fees

Further to the Annual General Meeting held on 10 April 2024 the shareholders of the Fund have resolved to ratify the following Directors fees:

- Mr. Yves Kuhn: EUR 40,000 gross, per year, pro-rata temporis, to be paid in quarterly arrears.
- Mr. Geoffroy Linard de Guertechin: EUR 25,000 gross, per year, pro-rata temporis, to be paid in quarterly arrears.

## 14. Sales Charges

The Fund reserves the right to apply a sales charge of up to 5% of the NAV per Share on subscriptions.

## 15. Distribution Policy

The Fund may issue both Accumulation Shares and Dividend Shares as described in the section "The Shares" in the Prospectus.

The policy of the Fund with respect to Accumulation Shares is to make no dividend distributions and to accumulate all net earnings within the relevant Share class and while for Dividend Shares is to pay dividends.

The Board of Directors determines the distribution policy for each relevant class of Dividend Shares.

If sufficient net income is available in respect of Melchior European Opportunities Fund, the Board of Directors' current intention is to declare semi-annual distributions (including interest and dividends) of substantially the whole of the net income which will be declared at the end of each semi-annual period and distributed by the end of the following month.

The investment management fees attributable to Distribution Shares will be charged to the income of the relevant Shares. The effect of this is that the income available for distribution will be reduced.





Melchior European Opportunities Fund operates equalisation in relation to all Distribution Shares. A shareholder who has purchased Shares during an accounting period will receive a distribution made up of two amounts:

- income which has accrued from the date of purchase, and
- capital which represents the return of the equalisation element.

Shareholders of all Shares who redeem their Shares will receive an amount which will include the income accrued to the date of redemption and which may be treated as income for tax purposes, subject to the tax rules in the country where a shareholder pays tax.

Shareholders may elect in their application for Shares either to receive dividends in cash or to reinvest the dividend amount in further Dividend Shares. In the absence of the shareholder making the election as above, the Fund shall reinvest the dividend payment in Shares, until otherwise directed in writing by the Shareholder. If dividends are to be paid in cash, they will normally be paid by electronic transfer at the shareholder's risk and expense.

Failure by a Shareholder (who has specifically elected to receive dividends in cash) to provide required documentation in connection with antimoney laundering procedures will result in dividend payments being held in until receipt of required documentation.

Any distribution for dividend entitlements of less than EUR 100 (or its foreign currency equivalent) in value will automatically be reinvested in the subscription of further Shares.

Any dividend paid on a Dividend Share that is not being claimed will not earn interest and, if not claimed within six years of its declaration, shall be forfeited and shall be returned to the account of, and for the benefit of the Fund.

For the period ended 30 June 2024, the Melchior European Opportunities Fund paid distributions of EUR5.81 as follows:

| Sub-Fund                                    | Distribution | Distribution Rate | Record Date      | Ex-Date        | Pay Date        |
|---|--------------|-------------------|------------------|----------------|-----------------|
| <b>Melchior European Opportunities Fund</b> |              |                   |                  |                |                 |
| Class I EUR Distribution Shares             | EUR 2.35     | 0.206497          | 29 December 2023 | 2 January 2024 | 31 January 2024 |
| Class P EUR Distribution Shares             | EUR 3.46     | 0.303786          | 29 December 2023 | 2 January 2024 | 31 January 2024 |

The following table shows distributions declared after the period ended 30 June 2024:

| Sub-Fund                                    | Distribution   | Distribution Rate | Record Date  | Ex-Date     | Pay Date     |
|---|----------------|-------------------|--------------|-------------|--------------|
| <b>Melchior European Opportunities Fund</b> |                |                   |              |             |              |
| Class I EUR Distribution Shares             | EUR 13.62      | 1.194600          | 28 June 2024 | 1 July 2024 | 31 July 2024 |
| Class P EUR Distribution Shares             | EUR 14.50      | 1.269650          | 28 June 2024 | 1 July 2024 | 31 July 2024 |
| Class SI EUR Distribution Shares            | EUR 287,170.86 | 3.710937          | 28 June 2024 | 1 July 2024 | 31 July 2024 |

## 16. Swing Price

The Board of Directors will apply the swing pricing mechanism to the Melchior European Opportunities Fund as described herein. Sub-Fund may suffer dilution of the NAV per Shares due to investors buying or selling Shares at a price that does not take into account dealing and other costs arising when the Investment Manager makes or sells investments to accommodate cash inflows or outflows. To counteract this, a partial swing pricing mechanism will be adopted to protect shareholders' interests. If on the Valuation Day, the netted inflows and outflows in a Sub-Fund exceeds 5% of the previous NAV of such Sub-Fund, the NAV may be adjusted upwards or downwards to reflect net inflows and net outflows respectively.

As at 30 June 2024, no swing pricing was applied.



The Board adopted the following Swing Pricing Policy with effect from 30 April 2018 for Melchior European Opportunities Fund.

If on the Valuation Day, the netted inflows and outflows in a Sub-Fund exceeds 5% of the previous NAV of such Sub-Fund, the NAV may be adjusted upwards or downwards to reflect net inflows and net outflows respectively.

- If the netting results in net outflows of more than 5% of the NAV of a Sub-Fund, the swing pricing mechanism shall apply regardless of the NAV of the Sub-Fund.
- If the netting results in net inflows of more than 5% of the NAV of a Sub-Fund, the swing pricing mechanism shall only apply in case the total NAV of the Sub-Fund exceed EUR 100 million (or its equivalent in another currency).

The extent of the price adjustment will be set by the Board of Directors, or via a delegation, by the Investment Manager concerned, to reflect dealing and other costs. Such adjustment is not expected to exceed 1% of the original NAV per Share.

## 17. Dilution Levy

To the extent that the Board of Directors considers that it is in the best interests of the Fund, the Board of Directors will apply such dilution levy if on the Valuation Day, the netted inflows and outflows in a Sub-Fund exceed 5% of the previous NAV of such Sub-Fund.

- If the netting results in net outflows of more than 5%, the dilution levy shall apply regardless of the NAV of the Sub-Fund.
- If the netting results in net inflows of more than 5% of the NAV of a Sub-Fund, the dilution levy shall only apply in case the total NAV of the Sub-Fund exceed EUR 100 million (or its equivalent in another currency).

The dilution levy policy will be defined by the Board of Directors, but the extent of the dilution levy will be set either by the Board of Directors, or, via a delegation, by the Investment Manager concerned. The dilution levy to be applied by the Board of Directors is not expected to exceed 1% of the NAV per Share. The dilution levy does not currently apply to the Sub-Fund.

## 18. Changes in the Investment Portfolio

A copy of the changes in the investment portfolio for the period ended 30 June 2024 is available free of charge at the registered office of the Fund.

## 19. Significant events after the Financial Period

### In relation to the liquidation of previous Sub-Fund of the Fund

#### Melchior Asian Opportunities Fund

The Sub-Fund was liquidated on 30 April 2021 but the liquidation was left open due to (i) the absence of AML documentation relating to a shareholder, which has now been resolved, and (ii) one illiquid security which remained unsold until February 2024, following which the proceeds of the sale were returned to shareholders. As a consequence, the Sub-Fund became empty, allowing the finalisation of the Sub-Fund's post-closure activities.

#### Melchior Japan Advantage Fund

The Sub-Fund was liquidated on 30 April 2021 but the liquidation remained open due to the absence of AML documentation relating to certain shareholders. This has now been resolved, allowing the finalisation of the Sub-Fund's post-closure activities.

#### Melchior European Absolute Return Fund

The Sub-Fund was liquidated on 12 May 2023 but the liquidation remained open due to an outstanding balance for future invoices. This has now been resolved, allowing the finalisation of the Sub-Fund's post-closure activities.

#### Melchior Global Multi Asset Fund

The Sub-Fund was liquidated on 31 August 2020 but the liquidation remained open due to (i) the absence of AML documentation relating to certain shareholders, which has now been resolved, and (ii) one illiquid security. At the end of the Financial Period, 42,000 Security Bank Corp (Philippines) preference shares remain held at the former Depository Bank (Edmond de Rothschild (Europe)). The security is deemed illiquid with zero value. The Fund, local sub-custodian and former Depository Bank have established the process required to re-register the security to allow the closure of the Sub-Fund. It is expected that once re-registration is complete, the Sub-Fund will be empty, allowing the finalisation of the Sub-Fund's post-closure activities.



