

MELCHIOR SELECTED TRUST
Société d'Investissement à Capital Variable

Semi-Annual Report and Unaudited Financial Statements
For the financial period ended 30 June 2023

MELCHIOR SELECTED TRUST
Semi-Annual Report and Unaudited Financial Statements
30 June 2023

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MELCHIOR SELECTED TRUST

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. Richard Jones (resigned 3 May 2023)
Head of Asia Pacific & Middle East distribution
Polar Capital LLP

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

MELCHIOR SELECTED TRUST

General Information

Information to the Shareholders

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

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

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

The Key Investor Information (the “KID”) are available on the website www.polarcapital.co.uk.

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

Throughout the Financial Statements are referred to by their short names as indicated here:

- Melchior European Opportunities Fund
- Melchior European Absolute Return Fund (closed on 10 May 2023)

Net Asset Value per Share

The Net Asset Value (“NAV”) per Share of each class in respect of each 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 each Sub-Fund or Class is calculated by dividing the net assets of each 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-Funds 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.

MELCHIOR SELECTED TRUST

General Information (continued)

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 at June 2023, the Fund has not had significant exposure to transactions within the scope of the above Regulation.

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General Information (continued)

Additional information (continued)

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 key information documents, 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 year, may be obtained, on simple request and free of charge from the Swiss representative.

The Total Expense Ratio (TER) as at 30 June 2023 for each Sub-Fund is 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 Total Expense Ratio (TER) represents the ratio of the total expenses, except transactions fees, annually supported by the Fund for each Sub-Fund.

The TER should be calculated as follows:

$$\text{TER} = \text{Total charges of the Sub-Fund} / \text{Average NAV of the Sub-Fund}$$

$$\text{Average NAV of the Sub-Fund} = \text{Amount of NAVs over the year} / \text{number of valuation days}$$

Each Sub-Fund's TER (in %) is detailed in this Semi-Annual report in the "TER (Total Expense Ratio)" section.

The calculation of the TER is based on the period from 1 July 2022 to 30 June 2023. Where share classes are opened part way through the period, the figures are annualised in such cases.

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General Information (continued)

Additional information (continued)

Information to Shareholders in Switzerland (continued)

Performance of Melchior European Opportunities Fund:

Class of shares	Date of Launch	Performances *							
		NAV as at 31 December 2020	2020	NAV as at 31 December 2021	2021	NAV as at 31 December 2022	2022	NAV as at 30 June 2023	2023
Class B EUR Accumulation Shares	27 May 2015	128.74	-0.02%	166.34	29.21%	132.27	-20.48%	140.82	6.46%
Class CS EUR Accumulation Shares	30 April 2020	121.26	—	157.93	30.24%	126.61	-19.83%	135.32	6.88%
Class I EUR Accumulation Shares	4 May 2010	300.01	0.78%	390.76	30.25%	313.22	-19.84%	334.78	6.88%
Class I EUR Distribution Shares	31 October 2022	—	—	—	—	103.61	—	110.67	6.81%
Class I GBP Accumulation Shares	4 May 2010	312.87	6.47%	382.23	22.17%	323.77	-15.29%	334.71	3.38%
Class I USD Accumulation Shares	4 May 2010	280.40	9.85%	339.43	21.05%	255.35	-24.77%	279.00	9.26%
Class P EUR Accumulation Shares	23 December 2015	136.77	0.82%	178.22	30.31%	142.91	-19.81%	152.78	6.91%
Class P EUR Distribution Shares	31 October 2022	—	—	—	—	103.61	—	110.77	6.91%
Class X EUR Accumulation Shares	30 June 2012	282.82	1.67%	371.52	31.36%	300.34	-19.16%	322.37	7.34%
Class X GBP Accumulation Shares	30 June 2012	312.94	7.37%	385.59	23.21%	329.38	-14.58%	341.96	3.82%

*Performances are historical and are not necessarily an indication of future results, they do not include redemption or subscription commissions and fees.

MELCHIOR SELECTED TRUST

Report on the Activities of the Fund *

30 June 2023

Melchior European Opportunities Fund

Fund performance

The Fund (Class I EUR Accumulation Shares) returned 6.9% in the first half of 2023 compared to a total return of 11.1% by the MSCI Europe Net Total Return Index (all figures in Euro terms).

While sentiment towards European equities improved following the nadir of 2022, it nevertheless remained a challenging investment environment. Market breadth remained narrow, with positive returns concentrated in the largest companies, which was a headwind for the Fund given our all-cap approach. During the first half of the year, European small and mid-caps underperformed the MSCI Europe Net Total Return Index by 5.4% and 3.8% respectively, and the inverse correlation between size and returns was consistent at both the growth and value spectrums of the market. The underperformance of the European small and mid-cap universe since 2021 has been material, both in terms of duration and magnitude. By the end of June, it was marginally above the cumulative underperformance seen during the global financial crisis.

Two sectors also weighed on performance during the period. Our financials holdings cost c150bps of relative performance after a sharp correction in the sector in the aftermath of the failure of Silicon Valley Bank (“SVB”) and other regional lenders in the US in March (see below). This was driven by fears around liquidity and contagion risks, as well as the implications from a potential shift in policy rate trajectory, credit tightening and concerns on asset quality, in particular within commercial real estate (“CRE”).

The largest detractors in the sector were also our largest positions, the Italian online bank and investment platform FinecoBank (-50bps) and the Dutch insurer ASR Nederland (-15bps), while on a sector-relative basis our holding in the Spanish bank Bankinter (-11bps) also underperformed. In our view, this near-term relative performance was not justified. Our bank exposures are largely in domestic retail, with relatively sticky deposit franchises alongside some corporate exposure. All have strong capital ratios and generate a consistent return on tangible equity over their cost of equity, with limited CRE exposure and conservative risk provisioning.

While it is only natural that deposit betas should increase from here, this starts from a low base in Europe and has been conservatively provisioned for in the business plans of our bank holdings. Furthermore, deposit movements in Europe remain comfortably manageable and far more modest than the US. Furthermore, the operating performance of our financials holdings have been among the strongest in the portfolio, with significant material upward revisions to profit forecasts.

Healthcare was the other sector where stock selection was disappointing in the first half, with c120bps of relative underperformance. Our holding in Merck (-53bps) was the principal detractor here, as it was impacted by destocking trends in its life sciences business. These adjustments are one-off in nature but have proved to be larger than expected, leading to profit warnings from some of its competitors. Notwithstanding this, the medium-term trends in life sciences continue to be attractive and are not reflected in Merck’s multiple of less than 12x EBITDA, a fraction of its life sciences peers despite its market-leading business accounting for half its profit.

Our returns in healthcare were also impacted by the continuing underperformance of perceived Covid beneficiaries, as Covid-related income receded. These included the diagnostics business QIAGEN (-19bps), where its Covid business declined sharply as expected, but its non-Covid business, a much more important driver of future earnings power, continued to grow at a double-digit rate. As the Covid headwind should become much smaller in the second half, we would expect this effect to dissipate.

Importantly, the underlying operational performance of our companies remained robust overall. The FY22 earnings season from January to March showed that our portfolio generated earnings per share growth of 19% on an equal-weighted basis in 2022, in line with the Stoxx Europe 600 Index (18%) and ahead of our expectations earlier in the year. This was a creditable performance in view of the Fund’s lower exposure to energy, which made a disproportionate contribution to European earnings growth in 2022 following the spike in oil and gas prices. Excluding energy, our portfolio earnings per share grew by c12%, compared to c6% for the Stoxx Europe 600 Index ex-energy. This confirms the sound underlying operational performance of our companies overall, notwithstanding the substantial derating in valuations over the past year.

MELCHIOR SELECTED TRUST

Report on the Activities of the Fund * (continued)

30 June 2023

Melchior European Opportunities Fund (continued)

Fund performance (continued)

Although the first quarter results season is less comprehensive and therefore not comparable, 61% of our holdings that did report beat consensus revenue forecasts by more than 1% (12% were in line), while 52% of companies exceeded EPS forecasts by more than 1% (22% were in line). Though still early in the year, this supports our expectations that the portfolio may deliver respectable earnings growth this year.

Notable contributors in the first half were led by a number of holdings that had been weak performers the previous year, notwithstanding strong fundamentals. The unique attributes of lithography equipment leader ASML Holding (113bps) are not new but were more visible than ever in its guidance for revenue growth of over 25% in 2023, recently raised to 30%, notwithstanding the cyclical downturn for the semiconductor industry. The luxury goods group Cie Financiere Richemont (67bps), owner of Cartier and Van Cleef & Arpels among other first-class brands, reported much better than expected results despite seeing disruption from Covid-related weakness in China. Despite evidence that the post-Covid recovery in China is spluttering, luxury demand remains robust and Richemont continues to trade at an unwarranted discount to the luxury sector.

The strategy game group Games Workshop (54bps) performed well after the company upgraded its profit expectations for the year. This demonstrates the continued good health of the hobby ahead of an exciting year with a key product launch and further monetisation of its intellectual property, including a potential content deal with Amazon.

In June, the Spanish testing and inspection group Applus Services (63bps) received a takeover offer from the private equity group Apollo, valuing the business at €1.3bn. With another consortium also circling Applus, it remains to be seen if this develops into a competitive contest. While the timing initially seemed surprising ahead of the tender for the IDIADA concession in 2024, the bidders may see this as an opportunity to acquire the group on the cheap. The bid values Applus on 11x earnings and at a 35% discount to its listing price in 2014, even though operating performance is strong and the business is materially more diversified and profitable today. The bid for Applus is consistent with a recent pick-up in M&A activity for smaller and medium-sized businesses by private equity and larger companies.

Market review

After a year that saw the largest derating in global equities since the mid-1970s, equity markets staged a partial recovery in the first half of 2023, with the MSCI Europe Net Total Return Index generating a total return of 11.1%, in euro terms. This reflected the combination of the multiple compression and low expectations embedded into many stocks in 2022, with a moderation in headline inflation and an economic environment that was more resilient than feared as the energy crisis receded.

Although headline inflation in the euro area fell from 9.2% at the turn of the year to 5.5% in June, core inflation was stickier than anticipated. While core inflation in the US moderated to a still high 5%, it rose in both the euro area and the UK to 5.5% and 6.9% respectively in the first half, in both cases multiple times above the 2% target rate. Incoming data pointed to continued tightness in labour markets, despite a succession of high profile layoffs in the technology sector. This suggests disinflation is likely to be a prolonged process. Indeed, our conversations with a range of companies across Europe suggest this level of core inflation is in line with the prevailing 5-6% wage increases being concluded in annual pay reviews.

The old adage that Fed monetary tightening always breaks something came to pass in March. SVB became the largest US bank to fail since Washington Mutual in 2008, precipitating the first US banking crisis for a decade, with New York-based Signature Bank becoming the third largest bank failure in quick succession. Both banks had specific vulnerabilities, notably a very weak deposit franchise, highly concentrated customer base and massive losses on their outsized exposure to US Treasuries, that were compounded by a lack of regulatory oversight. Nevertheless, it also highlighted a broader systemic risk in the speed at which confidence and deposits can evaporate in a digitalised world with the echo chamber of social media. It is a sobering fact that back in 2008, Washington Mutual lost \$17bn of deposits in nine days, whereas SVB lost \$42bn of deposits in four hours.

MELCHIOR SELECTED TRUST

Report on the Activities of the Fund * (continued)

30 June 2023

Melchior European Opportunities Fund (continued)

Market review (continued)

The bank failures, and widespread fears this would lead to a tightening of financial conditions that would tip the US into recession, led to a historic shift in rate expectations. In the first week of March, the two-year Treasury yield touched 5%, with financial markets expecting the Fed funds rate to end the year above 5.5%. In the space of seven trading days, the two-year yield fell by over 120bps, the largest decline since the crash of 1987, and Fed funds futures priced in a year-end rate of 3.8%. However, the ongoing resilience of the US consumer during the second quarter, as well as the emergence of green shoots in the housing market, defied concerns that a credit crunch and broader economic slowdown would follow. Although the Fed paused its rate increases as guided in June, the implied policy rate for December increased by nearly 50bps during the month as near-term US recession risks receded.

In contrast, European economic data softened in June, with the Citigroup Economic Surprise Index falling to its lowest level since the pandemic. This is a relative measure and the current situation is hardly comparable, though it speaks to a loss of momentum. June saw several profit warnings from companies in the chemicals and construction sectors, where weaker end demand is being exacerbated by destocking and expectations of lower input prices, with euro area PPI having fallen from 24% to -1.5% in the space of five months. This is not, however, a synchronized slowdown. Other parts of the industrial economy remain robust, notably aerospace and defence. Furthermore, European consumption has continued to hold up better than anticipated, as reflected in generally robust service activity and positive trading updates from retail bellwethers, notably Inditex, JD Sports Fashion and Next. Unemployment remains low and some of the headwinds on real incomes abate.

Fund activity

During the first half of the year, the Fund made three new investments and divested three holdings.

In January, the Fund acquired a new position in the Spanish defence and IT services group Indra Sistemas. The shares suffered from a sharp derating in 2022 driven by corporate governance concerns that overshadowed positive momentum in underlying operational performance in both its defence and transport division as well as its IT services business Minsait. The company has since taken reassuring steps to address these concerns, including the appointment of a new board of directors, removing the tiebreaking vote of the Chairman, alongside separation of the Chairman and CEO roles, which should offer sufficient independence and ensure interests of all shareholders are adequately protected.

Fundamentally, we see compelling valuation in its attractive defence and air traffic management businesses, with exposure to structurally higher European defence spending as well as next-generation EU funding in its IT services division. At only 6.5x 2023 EV/EBIT, Indra is trading at a significant 45% discount to its defence peers and a 25% discount to its IT services peers, with potential upside from several potential positive catalysts. These include progress with the Future Combat Air System project in 2023, a potential separation of its two divisions which would help to catalyse a rerating as a more pure-play defence company, and strong capital optionality as the group has delivered close to net-zero debt. We see this as an attractive entry point, with substantial scope to close the discount as the company continues to deliver on its operational performance and demonstrate improving corporate governance.

JTC, which provides outsourced administration services to funds (38%), corporates (35%) and private clients (27%), has been on our radar for some time and in April we took advantage of a pullback and material derating in the shares to build a new position. This is a very attractive business, characterised by a high share of recurring revenue (90% sales), long contracts (average tenure of business now 14 years) and low churn, generating excellent margins (33% underlying EBITDA) and high cash conversion. These characteristics have attracted considerable M&A interest in the sector, including its closest listed UK peer Sanne and our investment Intertrust that was subject to a takeover offer last year.

We consider JTC superior to both those companies, underpinned by an entrepreneurial culture and its unique employee share ownership scheme. Since JTC floated in 2018, it has built a track record of consistent sales growth, with a five-year organic CAGR (including the pandemic) of 9.5%, that has accelerated to double-digit rates in recent years. JTC has a significant runway of organic and inorganic growth ahead, driven by the increasing scope and complexity of regulation and reporting requirements and the growing trend towards outsourcing. The industry remains highly fragmented and the opportunity for further consolidation is substantial, especially now that JTC has gained a Delaware licence and a foothold in the huge US market.

MELCHIOR SELECTED TRUST

Report on the Activities of the Fund * (continued)

30 June 2023

Melchior European Opportunities Fund (continued)

Fund activity (continued)

In June, we took part in an equity increase by JTC to part fund the strategic acquisition of South Dakota Trust Company, the leading independent provider of trust administration services in the US. JTC's potential to capitalise on the substantial growth opportunity in the US is a key part of our investment thesis and the company has demonstrated its ability to execute and integrate M&A.

At the end of May, we took advantage of a placing by the Mexican group Femsa in the brewer Heineken. The premium Heineken brand has demonstrated a consistent level of organic growth over many years, and we have been impressed by its record of innovation, notably in the non-alcoholic category with Heineken 0.0, and the limited elasticity of demand in the face of substantial price increases over the past 18 months. With many of its input costs now falling, we believe Heineken will be in a strong position to mitigate pricing rollback pressure and recover its gross margin when current hedges roll off in 2024 given the quality of its brands and the fragmented route to market, with less than a third of sales going through large retailers. Near-term headwinds in Africa and Vietnam have presented an attractive entry point, with the stock on a forward P/E of 16x, at a discount its recent history and an elevated 15% discount to the staples sector.

In January, the Fund divested its holding in the office real estate business Inmobiliaria Colonial Socimi, reflecting a more cautious outlook for office real estate in its core markets and a rally in the shares of circa 40% since the last autumn.

Another divestment was our holding in Universal Music Group (UMG). Although the fundamentals of the business remain robust, the decision to sell reflected our growing concerns over the potential for disruption of the music industry by AI. The shifting sands are already visible in the massive proliferation of content on streaming platforms and market share loss of the major labels, with UMG CEO Sir Lucian Grainge calling for a change in the economics of streaming to reflect the new realities of content overproduction. The development of AI is dynamic and its rapid evolution appears to have caught some in the industry off their guard. The impact on music production and discovery remains unclear, but the risk of technological disruption is now greater than at any time in the past decade, even though the labels will vigorously defend their intellectual property and copyright. The outlook for the sustained growth and margin expansion seen in recent years looks less favourable, while the uncertainty over the risk of AI disruption may weigh on the earnings multiple.

In June, the Fund sold another longstanding position in the leading pharmaceutical manufacturing company Lonza Group. Since we acquired the holding in 2018, the investment thesis has played out as the group sold off its chemicals business and transformed itself into a pure play CDMO (contract development and manufacturing organisation) serving the healthcare industry. It is a market leader in the fast-growing biologics end market and well placed to gain further share in what is increasingly deemed a strategically important industry. However, the company has repeatedly pushed out its margin expansion ambitions and we see increasing risk to earnings estimates, which expect a significant back-end loaded margin expansion by 2024. This is at a time when there are emerging marginal headwinds to the top line, notably a tougher biotech funding environment and a weaker consumer supplement market. At its current valuation, there is little buffer for an earnings disappointment, which could also call into question management credibility. We will continue to monitor the stock.

Given the significant increase in the cost of capital and broader concerns about a cyclical downturn, we are even more mindful than normal about the leverage in the portfolio. Overall, we believe our companies are well placed in this respect. Investing in companies with strong cash generation is a core tenet of our investment philosophy, while the average leverage of the portfolio, at 0.8x net debt/EBITDA ex-financials, compares favourably to the MSCI Europe Index on 1.7x. Close to 30% of the portfolio is made up of companies with net cash on the balance sheet.

Market outlook

The macroeconomic outlook remains murky in wake of the largest tightening of monetary policy in recent memory. So far, economic activity has been more resilient than widely expected, but it would be foolhardy to rule out further shocks as the monetary tide goes out. At the same time, the recessionary fears have already been prominent for some time – the expected recession in the US and Europe has been one of the most telegraphed in history. One commentator likened the anticipation of the US recession to waiting for Godot.

MELCHIOR SELECTED TRUST

Report on the Activities of the Fund * (continued)

30 June 2023

Melchior European Opportunities Fund (continued)

Market outlook (continued)

Over the past 18 months, a significant divergence has opened up between the share prices of many of our companies and their underlying operational performance and earnings, which have remained robust. The resulting derating has been particularly acute in our small and mid-cap holdings and on a number of valuation metrics the broader European small and mid-cap universe now trades at the largest discount to large caps this century. How long will this persist? We do not know, but it is interesting to note that over the past 20 years, the past five cyclical peaks in euro area inflation all coincided with a trough in the relative performance of European small and mid-cap equities. Although inflation in this cycle peaked in late 2022, this relative trough is yet to materialise.

Melchior European Absolute Return Fund

Due to the low level of assets in the Fund, the independent Board of Directors took the decision to suspend and liquidate the Fund with effect from 2 May 2023, with shares redeemed on 10 May 2023.

As of 18 August 2023

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

MELCHIOR SELECTED TRUST

Statement of Net Assets

As at 30 June 2023

	Notes	Melchior European Opportunities Fund As at 30 June 2023 EUR	Combined As at 30 June 2023 EUR
ASSETS			
Portfolio:			
- Cost		645,143,515.23	645,143,515.23
- Net unrealised result		103,088,557.75	103,088,557.75
		748,232,072.98	748,232,072.98
Cash:			
- Cash at sight		46,368,843.82	46,368,843.82
Other assets:			
- Receivable on subscriptions		582,433.83	582,433.83
- Bank interest receivable		42,274.33	42,274.33
- Dividend receivable		719,281.71	719,281.71
- Receivable for investments sold		8,651,247.33	8,651,247.33
- Other		5,110.96	5,110.96
		804,601,264.96	804,601,264.96
LIABILITIES			
Bank overdraft			
- Cash at sight		263,309.10	263,309.10
Other liabilities:			
- Redemptions payable		434,619.31	434,619.31
- Payable for investments purchased		363,176.83	363,176.83
- Taxes and expenses payable		2,499,517.52	2,499,517.52
		3,560,622.76	3,560,622.76
NET ASSETS		801,040,642.20	801,040,642.20

The notes are an integral part of these financial statements.

MELCHIOR SELECTED TRUST

Statement of Operations and Changes in Net Assets

For the period ended 30 June 2023

		Melchior European Opportunities Fund 30 June 2023 EUR	Melchior European Absolute Return Fund* 30 June 2023 EUR	Combined 30 June 2023 EUR
	Notes			
NET ASSETS AT THE BEGINNING OF THE PERIOD		848,330,926.77	8,080,395.71	856,411,322.48
INCOME				
Income from investments:				
- Dividends, net		12,665,493.00	—	12,665,493.00
- Bond interest, net		—	42,975.74	42,975.74
- Dividends income on contracts for difference		—	36,815.57	36,815.57
Other income		—	31.71	31.71
		12,665,493.00	79,823.02	12,745,316.02
EXPENSES				
Bank interest, net		191,602.60	(33,999.80)	157,602.80
Dividends expense on contracts for difference		—	(33,189.39)	(33,189.39)
Fees:				
- Management fee	8	(3,896,882.64)	(47,594.07)	(3,944,476.71)
- Depositary fees	12	(43,808.33)	(383.44)	(44,191.77)
Other expenses:				
- Annual tax	7	(190,715.43)	(1,041.04)	(191,756.47)
- Audit fees		(38,706.48)	(209.49)	(38,915.97)
- Transaction fees	14	(73,782.80)	—	(73,782.80)
- Administration and other expenses	13,15	(570,532.50)	(16,001.37)	(586,533.87)
- Interests on securities borrowing		—	(641.70)	(641.70)
		(4,622,825.58)	(133,060.30)	(4,755,885.88)
NET OPERATING RESULT		8,042,667.42	(53,237.28)	7,989,430.14
Net realised result on				
- Sale of investments		42,130,393.09	(3,379.62)	42,127,013.47
- Forward foreign exchange contracts on currencies		8,468.34	9,160.18	17,628.52
- Foreign exchange		(82,773.31)	98,299.58	15,526.27
- Futures		—	(18,905.90)	(18,905.90)
- Contracts for difference		—	9,979.56	9,979.56
- Options		—	(30,424.41)	(30,424.41)
NET REALISED RESULT		50,098,755.54	11,492.11	50,110,247.65

The notes are an integral part of these financial statements.

MELCHIOR SELECTED TRUST

Statement of Operations and Changes in Net Assets (continued)

For the period ended 30 June 2023

	Notes	Melchior European Opportunities Fund 30 June 2023 EUR	Melchior European Absolute Return Fund* 30 June 2023 EUR	Combined 30 June 2023 EUR
Change in net unrealised appreciation on				
- Investments		9,014,843.75	1,413.71	9,016,257.46
- Forward foreign exchange contracts on currencies		—	81,836.88	81,836.88
- Foreign exchange		1,356.85	282.56	1,639.41
- Contracts for difference		—	33,334.62	33,334.62
- Options		—	5,433.41	5,433.41
NET INCREASE IN NET ASSETS AS A RESULT OF OPERATIONS		59,114,956.14	133,793.29	59,248,749.43
MOVEMENTS IN CAPITAL				
Subscription of shares		56,353,850.24	568,824.21	56,922,674.45
Redemption of shares		(162,759,090.95)	(8,783,013.21)	(171,542,104.16)
		(106,405,240.71)	(8,214,189.00)	(114,619,429.71)
NET ASSETS AT THE END OF THE PERIOD		801,040,642.20	—	801,040,642.20

* The Sub-Fund closed on 10 May 2023.

The notes are an integral part of these financial statements.

MELCHIOR SELECTED TRUST

Statistical Information

30 June 2023

Melchior European Opportunities Fund

SHARES	Class B EUR Accumulation Shares	Class CS EUR Accumulation Shares	Class I EUR Accumulation Shares	Class I EUR Distribution Shares	Class I GBP Accumulation Shares	Class I USD Accumulation Shares
Shares outstanding at the beginning of the period	280,890.5705	46,377.7361	2,149,866.6383	11.2804	9,540.4762	60,822.1125
Subscription of shares	9,822.3848	479.7226	129,824.0243	–	1,381.7290	740.0000
Redemption of shares	(17,241.9996)	(14,345.1484)	(299,787.5192)	–	(1,936.1185)	(3,646.0006)
Shares outstanding at the end of the period	273,470.9557	32,512.3103	1,979,903.1434	11.2804	8,986.0867	57,916.1119
NET ASSET VALUE PER SHARE	EUR	EUR	EUR	EUR	GBP	USD
At the end of the period	140.82	135.32	334.78	110.67	334.71	279.00

MELCHIOR SELECTED TRUST

Statistical Information (continued)

30 June 2023

Melchior European Opportunities Fund (continued)

SHARES

	Class P EUR Accumulation Shares	Class P EUR Distribution Shares	Class X EUR Accumulation Shares	Class X GBP Accumulation Shares
Shares outstanding at the beginning of the period	680,745.6687	159,100.2804	311.0000	48.0000
Subscription of shares	75,778.7830	—	—	—
Redemption of shares	(368,802.0315)	—	—	—
Shares outstanding at the end of the period	387,722.4202	159,100.2804	311.0000	48.0000

NET ASSET VALUE PER SHARE

	EUR	EUR	EUR	GBP
At the end of the period	152.78	110.77	322.37	341.96

MELCHIOR SELECTED TRUST

Statistical Information (continued)

30 June 2023

Melchior European Absolute Return Fund*

SHARES

	Class C GBP Hedged Accumulation Shares	Class H GBP Hedged Accumulation Shares	Class I EUR Accumulation Shares	Class I GBP Hedged Accumulation Shares	Class I JPY Hedged Accumulation Shares	Class L EUR Accumulation Shares
Shares outstanding at the beginning of the period	24.4320	3,368,891.6111	10,663.3312	21,814.1439	10.0000	100.0000
Subscription of shares	–	14,668.7198	–	4,152.8622	–	–
Redemption of shares	(24.4320)	(3,383,560.3309)	(10,663.3312)	(25,967.0061)	(10.0000)	(100.0000)
Shares outstanding at the end of the period	–	–	–	–	–	–
NET ASSET VALUE PER SHARE	GBP	GBP	EUR	GBP	JPY	EUR
At the end of the period	–	–	–	–	–	–

* The Sub-Fund closed on 10 May 2023.

MELCHIOR SELECTED TRUST

TER (Total Expense Ratio)

As at 30 June 2023

Melchior European Opportunities Fund

	Class B EUR	Class CS EUR	Class I EUR	Class I EUR
	Accumulation	Accumulation	Accumulation	Distribution
	Shares	Shares	Shares	Shares
TER	1.86%	1.04%	1.06%	1.17%
	Class I GBP	Class I USD	Class P EUR	Class P EUR
	Accumulation	Accumulation	Accumulation	Distribution
	Shares	Shares	Shares	Shares
TER	1.06%	1.06%	1.02%	1.11%
	Class X EUR	Class X GBP		
	Accumulation	Accumulation		
	Shares	Shares		
TER	0.21%	0.21%		

MELCHIOR SELECTED TRUST

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

As at 30 June 2023

Melchior European Opportunities Fund

Date	Share Class	Number of shares outstanding	Net Assets	Ccy	Net asset value per share
*30.04.20	Class CS EUR Accumulation Shares	150.0000	14,750.83	EUR	98.34
**15.05.20	Class X USD Accumulation Shares	370.0000	41,266.83	USD	111.53
31.12.20	Class B EUR Accumulation Shares	296,669.4704	38,191,967.16	EUR	128.74
	Class CS EUR Accumulation Shares	533.0648	64,641.48	EUR	121.26
	Class I EUR Accumulation Shares	2,800,078.6066	840,049,218.30	EUR	300.01
	Class I GBP Accumulation Shares	8,215.0090	2,570,239.73	GBP	312.87
	Class I USD Accumulation Shares	59,008.4326	16,546,150.43	USD	280.40
	Class P EUR Accumulation Shares	1,142,980.1844	156,321,643.14	EUR	136.77
	Class X EUR Accumulation Shares	650.0000	183,836.00	EUR	282.82
	Class X GBP Accumulation Shares	48.0000	15,021.08	GBP	312.94
31.12.21	Class B EUR Accumulation Shares	318,866.2399	53,039,886.00	EUR	166.34
	Class CS EUR Accumulation Shares	322,455.9527	50,926,535.70	EUR	157.93
	Class I EUR Accumulation Shares	2,642,220.3409	1,032,471,019.78	EUR	390.76
	Class I GBP Accumulation Shares	8,805.6603	3,365,821.12	GBP	382.23
	Class I USD Accumulation Shares	87,492.3633	29,697,949.41	USD	339.43
	Class P EUR Accumulation Shares	792,906.8898	141,309,665.75	EUR	178.22
	Class X EUR Accumulation Shares	650.0000	241,486.13	EUR	371.52
	Class X GBP Accumulation Shares	48.0000	18,508.09	GBP	385.59
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
30.06.23	Class B EUR Accumulation Shares	273,470.9557	38,508,861.32	EUR	140.82
	Class CS EUR Accumulation Shares	32,512.3103	4,399,610.42	EUR	135.32
	Class I EUR Accumulation Shares	1,979,903.1434	662,838,231.74	EUR	334.78
	Class I EUR Distribution Shares	11.2804	1,248.45	EUR	110.67
	Class I GBP Accumulation Shares	8,986.0867	3,007,718.80	GBP	334.71
	Class I USD Accumulation Shares	57,916.1119	16,158,341.61	USD	279.00
	Class P EUR Accumulation Shares	387,722.4202	59,234,892.90	EUR	152.78
	Class P EUR Distribution Shares	159,100.2804	17,622,920.16	EUR	110.77
	Class X EUR Accumulation Shares	311.0000	100,256.47	EUR	322.37
	Class X GBP Accumulation Shares	48.0000	16,413.92	GBP	341.96

* first valuation.

** last valuation.

MELCHIOR SELECTED TRUST

Changes in the Number of Shares in Net Assets and in Net Asset Value per Share (continued)

As at 30 June 2023

Melchior European Absolute Return Fund*

Date	Share Class	Number of shares outstanding	Net Assets	Ccy	Net asset value per share
**10.01.20	Class L EUR Accumulation Shares	100.0000	9,962.86	EUR	99.63
31.12.20	Class C GBP Hedged Accumulation Shares	75.9350	8,296.03	GBP	109.25
	Class H GBP Hedged Accumulation Shares	4,181,822.3760	4,375,377.61	GBP	1.05
	Class I EUR Accumulation Shares	157,951.8280	17,088,975.92	EUR	108.19
	Class I GBP Hedged Accumulation Shares	743.7191	84,170.78	GBP	113.18
	Class I JPY Hedged Accumulation Shares	10.0000	96,128.61	JPY	9,612.86
	Class L EUR Accumulation Shares	100.0000	9,551.52	EUR	95.52
***28.07.21	Class I USD Hedged Accumulation Shares	7,946.8023	830,493.42	USD	104.51
31.12.21	Class C GBP Hedged Accumulation Shares	24.4320	2,709.13	GBP	110.88
	Class H GBP Hedged Accumulation Shares	3,660,549.1588	3,896,702.46	GBP	1.06
	Class I EUR Accumulation Shares	1,219.3312	133,771.81	EUR	109.71
	Class I GBP Hedged Accumulation Shares	13,035.3992	1,504,540.49	GBP	115.42
	Class I JPY Hedged Accumulation Shares	10.0000	97,762.59	JPY	9,776.26
	Class L EUR Accumulation Shares	100.0000	9,730.38	EUR	97.30
31.12.22	Class C GBP Hedged Accumulation Shares	24.4320	2,709.74	GBP	110.91
	Class H GBP Hedged Accumulation Shares	3,368,891.6111	3,597,115.93	GBP	1.07
	Class I EUR Accumulation Shares	10,663.3312	1,160,168.48	EUR	108.80
	Class I GBP Hedged Accumulation Shares	21,814.1439	2,530,797.90	GBP	116.02
	Class I JPY Hedged Accumulation Shares	10.0000	96,702.00	JPY	9,670.20
	Class L EUR Accumulation Shares	100.0000	9,699.98	EUR	97.00
***10.05.23	Class C GBP Hedged Accumulation Shares	24.4320	2,704.93	GBP	110.71
***10.05.23	Class H GBP Hedged Accumulation Shares	3,235,237.5988	3,451,785.36	GBP	1.07
***10.05.23	Class I EUR Accumulation Shares	829.0000	89,688.79	EUR	108.19
***10.05.23	Class I GBP Hedged Accumulation Shares	24,884.3144	2,887,199.76	GBP	116.02
***10.05.23	Class I JPY Hedged Accumulation Shares	10.0000	95,160.00	JPY	9,516.00
***10.05.23	Class L EUR Accumulation Shares	100.0000	9,662.55	EUR	96.63

* the Sub-Fund closed on 10 May 2023.

** first valuation.

*** last valuation.

MELCHIOR SELECTED TRUST

Statement of Investments in Securities and Other Net Assets

Melchior European Opportunities Fund

30 June 2023

Quantity	Description	Ccy	Cost	Value per security	Market value	% of net assets
TRANSFERABLE SECURITIES AND MONEY MARKET INSTRUMENTS ADMITTED TO AN OFFICIAL STOCK EXCHANGE OR DEALT IN ON ANOTHER REGULATED MARKET						
EQUITIES						
AUSTRIA						
356,479.00	Erste Group Bank AG	EUR	10,801,162.51	32.090	11,439,411.11	1.43
219,759.00	Schoeller-Bleckmann Oilfield Equipment AG	EUR	12,107,748.37	53.100	11,669,202.90	1.45
	TOTAL AUSTRIA		22,908,910.88		23,108,614.01	2.88
BELGIUM						
566,058.00	Azelis Group NV	EUR	13,167,178.81	20.880	11,819,291.04	1.47
1,638.00	Lotus Bakeries NV	EUR	8,530,925.43	7,270.000	11,908,260.00	1.49
527,721.00	Recticel SA	EUR	4,101,969.30	10.900	5,752,158.90	0.72
	TOTAL BELGIUM		25,800,073.54		29,479,709.94	3.68
DENMARK						
157,854.00	Royal Unibrew A/S	DKK	10,451,502.81	81.924	12,932,054.46	1.61
	TOTAL DENMARK		10,451,502.81		12,932,054.46	1.61
FINLAND						
1,226,784.00	Nordea Bank Abp	SEK	12,009,095.08	9.954	12,211,395.41	1.52
721,003.00	Sanoma Oyj	EUR	10,182,064.95	6.640	4,787,459.92	0.60
	TOTAL FINLAND		22,191,160.03		16,998,855.33	2.12
FRANCE						
79,427.00	Alten SA	EUR	8,113,889.54	144.300	11,461,316.10	1.43
240,153.00	Amundi SA	EUR	14,376,774.61	54.050	12,980,269.65	1.62
121,764.00	Capgemini SE	EUR	23,548,248.00	173.550	21,132,142.20	2.64
205,801.00	Edenred	EUR	10,368,685.06	61.340	12,623,833.34	1.58
81,627.00	Laurent-Perrier	EUR	8,139,887.01	129.000	10,529,883.00	1.31
22,418.00	Robertet SA	EUR	16,562,122.74	834.000	18,696,612.00	2.33
	TOTAL FRANCE		81,109,606.96		87,424,056.29	10.91
GERMANY						
151,501.00	Merck KGaA	EUR	21,900,043.86	151.550	22,959,976.55	2.87
232,889.00	Stabilus SE	EUR	12,507,403.68	55.050	12,820,539.45	1.60
45,547.00	STO SE & Co KGaA	EUR	8,688,845.99	153.600	6,996,019.20	0.87
	TOTAL GERMANY		43,096,293.53		42,776,535.20	5.34
IRELAND						
275,012.00	CRH PLC	EUR	9,305,927.49	50.500	13,888,106.00	1.74
1,221,898.00	Grafton Group PLC	GBP	11,506,927.33	9.109	11,130,519.56	1.39

The notes are an integral part of these financial statements.

MELCHIOR SELECTED TRUST

Statement of Investments in Securities and Other Net Assets

Melchior European Opportunities Fund (continued)

30 June 2023

Quantity	Description	Ccy	Cost	Value per security	Market value	% of net assets
TRANSFERABLE SECURITIES AND MONEY MARKET INSTRUMENTS ADMITTED TO AN OFFICIAL STOCK EXCHANGE OR DEALT IN ON ANOTHER REGULATED MARKET						
EQUITIES (continued)						
IRELAND (continued)						
42,263.00	Linde PLC	USD	11,274,485.47	349.294	14,762,220.50	1.84
	TOTAL IRELAND		32,087,340.29		39,780,846.06	4.97
ITALY						
1,036,210.00	FinecoBank Banca Fineco SpA	EUR	10,131,339.32	12.315	12,760,926.15	1.59
899,495.00	Infrastrutture Wireless Italiane SpA	EUR	8,443,587.64	12.080	10,865,899.60	1.36
138,985.00	Moncler SpA	EUR	4,383,515.90	63.340	8,803,309.90	1.10
2,879,027.00	Piaggio & C SpA	EUR	7,673,063.12	3.800	10,940,302.60	1.36
1,356,356.00	Technoprobe SpA	EUR	8,278,526.32	7.240	9,820,017.44	1.23
	TOTAL ITALY		38,910,032.30		53,190,455.69	6.64
JERSEY						
78,171.00	Ferguson PLC	GBP	6,063,031.01	144.615	11,304,668.21	1.41
1,511,348.00	JTC PLC	GBP	12,595,063.39	8.256	12,477,991.96	1.56
	TOTAL JERSEY		18,658,094.40		23,782,660.17	2.97
NETHERLANDS						
225,614.00	Aalberts NV	EUR	11,342,854.77	38.530	8,692,907.42	1.09
45,354.00	ASML Holding NV	EUR	13,568,268.60	663.000	30,069,702.00	3.75
570,533.00	ASR Nederland NV	EUR	18,163,008.55	41.240	23,528,780.92	2.94
72,518.00	Heineken NV	EUR	6,843,286.17	94.180	6,829,745.24	0.85
377,596.00	QIAGEN NV	EUR	16,490,033.22	41.140	15,534,299.44	1.94
	TOTAL NETHERLANDS		66,407,451.31		84,655,435.02	10.57
NORWAY						
409,487.00	Kongsberg Gruppen ASA	NOK	8,927,673.42	41.768	17,103,291.61	2.14
	TOTAL NORWAY		8,927,673.42		17,103,291.61	2.14
PORTUGAL						
735,096.00	Corticeira Amorim SGPS SA	EUR	7,102,847.58	9.670	7,108,378.32	0.89
	TOTAL PORTUGAL		7,102,847.58		7,108,378.32	0.89
SPAIN						
1,090,716.00	Applus Services SA	EUR	11,895,730.33	9.865	10,759,913.34	1.34
2,023,973.00	Bankinter SA	EUR	8,953,478.28	5.630	11,394,967.99	1.42
433,383.00	Fluidra SA	EUR	6,348,870.79	17.830	7,727,218.89	0.97
1,011,476.00	Indra Sistemas SA	EUR	11,814,004.03	11.580	11,712,892.08	1.46
273,305.00	Laboratorios Farmaceuticos Rovi SA	EUR	7,480,231.54	42.340	11,571,733.70	1.44

The notes are an integral part of these financial statements.

MELCHIOR SELECTED TRUST

Statement of Investments in Securities and Other Net Assets

Melchior European Opportunities Fund (continued)

30 June 2023

Quantity	Description	Ccy	Cost	Value per security	Market value	% of net assets
TRANSFERABLE SECURITIES AND MONEY MARKET INSTRUMENTS ADMITTED TO AN OFFICIAL STOCK EXCHANGE OR DEALT IN ON ANOTHER REGULATED MARKET						
EQUITIES (continued)						
SPAIN (continued)						
165,415.00	Viscofan SA	EUR	9,282,484.06	63.300	10,470,769.50	1.31
	TOTAL SPAIN		55,774,799.03		63,637,495.50	7.94
SWEDEN						
375,036.00	Loomis AB	SEK	9,898,146.86	26.697	10,012,230.86	1.25
228,431.00	Thule Group AB	SEK	6,878,343.00	26.909	6,146,819.52	0.77
387,767.00	Trelleborg AB	SEK	8,361,775.93	22.182	8,601,528.03	1.07
	TOTAL SWEDEN		25,138,265.79		24,760,578.41	3.09
SWITZERLAND						
171,401.00	Cie Financiere Richemont SA	CHF	18,709,228.66	155.369	26,630,407.32	3.33
12,554.00	Inficon Holding AG	CHF	7,028,143.32	1,106.486	13,890,821.25	1.73
2,761.00	Interroll Holding AG	CHF	3,970,368.25	2,832.808	7,821,383.58	0.98
218,035.00	Nestle SA	CHF	17,830,311.54	110.239	24,035,907.76	3.00
76,896.00	Roche Holding AG	CHF	17,475,166.64	280.207	21,546,816.99	2.69
	TOTAL SWITZERLAND		65,013,218.41		93,925,336.90	11.73
UNITED KINGDOM						
2,026,135.00	Breedon Group PLC	GBP	9,201,691.03	3.799	7,697,086.20	0.96
315,909.00	Diageo PLC	GBP	10,112,379.47	39.376	12,439,145.90	1.55
99,945.00	Games Workshop Group PLC	GBP	7,176,934.23	127.252	12,718,154.07	1.59
125,316.00	Genus PLC	GBP	4,805,985.20	25.241	3,163,044.83	0.39
1,524,715.00	Howden Joinery Group PLC	GBP	11,743,551.81	7.486	11,413,913.48	1.43
368,559.00	Intermediate Capital Group PLC	GBP	6,060,142.54	16.052	5,916,147.59	0.74
7,042,747.00	JD Sports Fashion PLC	GBP	10,259,480.38	1.701	11,982,165.51	1.50
123,891.00	London Stock Exchange Group PLC	GBP	9,189,739.04	97.490	12,078,082.45	1.51
1,117,556.00	OSB Group PLC	GBP	7,328,835.91	5.593	6,251,020.21	0.78
263,272.00	Prudential PLC	GBP	3,935,535.90	12.917	3,400,797.25	0.42
258,266.00	Reckitt Benckiser Group PLC	GBP	18,920,250.89	68.893	17,792,707.24	2.22
168,314.00	Renishaw PLC	GBP	8,937,780.27	45.470	7,653,284.84	0.96
1,817,702.00	Volution Group PLC	GBP	7,702,865.21	4.407	8,010,960.32	1.00

The notes are an integral part of these financial statements.

MELCHIOR SELECTED TRUST

Statement of Investments in Securities and Other Net Assets

Melchior European Opportunities Fund (continued)

30 June 2023

Quantity	Description	Ccy	Cost	Value per security	Market value	% of net assets
TRANSFERABLE SECURITIES AND MONEY MARKET INSTRUMENTS ADMITTED TO AN OFFICIAL STOCK EXCHANGE OR DEALT IN ON ANOTHER REGULATED MARKET						
EQUITIES (continued)						
UNITED KINGDOM (continued)						
991,153.00	Watches of Switzerland Group PLC	GBP	6,191,073.07	7.114	7,051,260.18	0.88
	TOTAL UNITED KINGDOM		121,566,244.95		127,567,770.07	15.93
	TOTAL EQUITIES		645,143,515.23		748,232,072.98	93.41
	TOTAL TRANSFERABLE SECURITIES AND MONEY MARKET INSTRUMENTS ADMITTED TO AN OFFICIAL STOCK EXCHANGE OR DEALT IN ON ANOTHER REGULATED MARKET		645,143,515.23		748,232,072.98	93.41
	TOTAL INVESTMENTS IN SECURITIES		645,143,515.23		748,232,072.98	93.41
	Cash/(bank overdraft)				46,105,534.72	5.76
	Other assets and liabilities				6,703,034.50	0.83
	TOTAL NET ASSETS				801,040,642.20	100.00

The notes are an integral part of these financial statements.

MELCHIOR SELECTED TRUST

Geographical Classification of the Investments on Securities

As at 30 June 2023

Melchior European Opportunities Fund

COUNTRIES OF INCORPORATION	% of net assets
United Kingdom	15.93
Switzerland	11.73
France	10.91
Netherlands	10.57
Spain	7.94
Italy	6.64
Germany	5.34
Ireland	4.97
Belgium	3.68
Sweden	3.09
Jersey	2.97
Austria	2.88
Norway	2.14
Finland	2.12
Denmark	1.61
Portugal	0.89
TOTAL INVESTMENTS IN SECURITIES	93.41
Other assets/(liabilities) and liquid assets	6.59
NET ASSETS	100.00

MELCHIOR SELECTED TRUST

Economic Classification of the Investments on Securities

As at 30 June 2023

Melchior European Opportunities Fund

	% of net assets
ECONOMIC SECTORS	
Consumer Staple Products	12.42
Materials	11.41
Industrial Products	10.53
Consumer Discretionary Products	9.36
Health Care	8.94
Industrial Services	8.37
Tech Hardware & Semiconductors	6.71
Financial Services	6.21
Banking	5.96
Software & Tech Services	4.10
Retail & Wholesale - Discretionary	3.99
Insurance	3.36
Oil & Gas	1.45
Media	0.60
TOTAL INVESTMENTS IN SECURITIES	93.41
Other assets/(liabilities) and liquid assets	6.59
NET ASSETS	100.00

MELCHIOR SELECTED TRUST

Notes to the Financial Statements

30 June 2023

1. General

Melchior Selected Trust (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.

With effect from 1 June 2022, 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 various Sub-Funds, and is expressed in Euros ("EUR").

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

During the period, Melchior Absolute Return Fund closed on 10 May 2023.

As at 30 June 2023, the following Sub-Fund is available to investors:

- Melchior European Opportunities Fund

The Fund issues Shares of different classes reflecting the various Sub-Funds. As at 30 June 2023, the following share classes are available to investors:

- Class B Shares which are denominated in:
Class B – EUR Accumulation Shares

- Class C 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 X Shares which are denominated in:
Class X – EUR Accumulation Shares
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.

MELCHIOR SELECTED TRUST

Notes to the Financial Statements

30 June 2023

(continued)

2. 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 5 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.

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.

MELCHIOR SELECTED TRUST

Notes to the Financial Statements

30 June 2023

(continued)

2. Summary of Significant Accounting Policies (continued)

g) Forward foreign exchange contracts (continued)

As at 30 June 2023, no Sub-Fund has unrealised gain/(loss) result on the outstanding forward foreign exchange contract(s) on currencies.

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 at 30 June 2023, no Sub-Fund has unrealised gain/(loss) on the open contracts for difference.

3. Other Assets

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

4. 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 at 30 June 2023, no Sub-Fund holds cross-investments.

MELCHIOR SELECTED TRUST

Notes to the Financial Statements

30 June 2023

(continued)

5. Exchange rates as at 30 June 2023

1	EUR	=	0.97606	CHF
1	EUR	=	7.44591	DKK
1	EUR	=	0.85814	GBP
1	EUR	=	11.68848	NOK
1	EUR	=	11.78422	SEK
1	EUR	=	1.09100	USD

6. Presentation basis of Financial Statements

The combined financial statements are based on the reporting NAV that was calculated as at 30 June 2023 for the purposes of financial reporting.

The combined financial statements of the SICAV are expressed in EUR. Consequently, net assets and net results of each 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 combined financial statements and those of each Sub-Fund under going concern basis of accounting following generally accepted principle in Luxembourg.

The preparation of combined 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.

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") of up to 0.05% per annum of its net assets, 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.

MELCHIOR SELECTED TRUST

Notes to the Financial Statements

30 June 2023

(continued)

8. Investment Management Fee (continued)

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

Share Class	Investment Management Fee
Melchior European Opportunities Fund: Class B Classes CS, I and P Class X	Up to 1.65% Up to 0.85% None
Melchior European Absolute Return Fund (closed on 10 May 2023): Class C Class H Class I Class L	Up to 2.00% Up to 1.75% Up to 1.50% Up to 1.00%

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

On Melchior European Opportunities Fund, trailer fees are calculated at each Valuation Day and payable quarterly from the Investment Management fees on all Share Classes, except Class X.

In addition, the relevant Investment Manager may designate an Investment Advisor or Sub-Investment Manager, who will be paid by the Investment Manager.

9. Performance Fee

The Investment Manager is entitled to a Performance Fee out of the assets of the Melchior European Absolute Return Fund (closed on 10 May 2023).

The Performance Fee shall be payable only when the following tests are met:

A. Performance Test

Firstly, a performance test must be met for the Performance Period just ended. The performance test will be met if the increase in the NAV per Share over a Performance Period (taking into account paragraph B (ii) if applicable) is greater than the return of a benchmark depending on the currency of the Share Class (SONIA for GBP Share Classes, €STR for EUR Share Classes, SOFAR for USD Share Classes, TONAR for JPY Share Classes, and SARON for CHF Share Classes) (the “Benchmark Return”) over the same Performance Period.

B. Watermark Test

Secondly, a watermark test must be met which takes into account the performance of the Sub-Fund’s overall Performance Periods before the Performance Period just ended (the “Prior Period”). The watermark test will be met if:

- the change in the NAV per Share over the Prior Period is greater than the Benchmark Return over the Prior Period; or
- if the NAV per Share has not increased more than the Benchmark Return in the Prior Period, the NAV per Share must increase in the Performance Period by an amount equal to that shortfall in the Prior Period before performance test can be met in accordance with paragraph A. above.

C. High Watermark Test

Thirdly, a high watermark test must be met which takes into account the performance of the Sub-Fund since inception. The high watermark test will be met if the NAV per Share at the end of the Performance Period is equal to or greater than the highest NAV per Share as at the end of any previous Performance Period for that Share (or if there is no previous Performance Period, the NAV per Share on launch of the Share Class).

MELCHIOR SELECTED TRUST

Notes to the Financial Statements

30 June 2023

(continued)

9. Performance Fee (continued)

If the three tests are met, the Performance Fee shall be 10% of the amount by which the NAV per Share (before the deduction of Performance Fees) exceeds the Benchmark Return as at the end of a Performance Period (less any shortfall amount in accordance with paragraph B. (ii) above), multiplied by the number of Shares in issue in the Sub-Fund. In the case of the first Performance Period the initial subscription price per Share in a Sub-Fund shall be the base price for the purpose of calculating the performance over the Performance Period.

The Performance Fee shall be paid annually in EUR in arrears within 14 Business Days of the end of a Performance Period. If shares are redeemed on a date other than that on which a Performance Fee is paid while provision has been made for Performance Fees, the Performance Fee for which provision has been made and which are attributable to the shares redeemed (crystallised Performance Fee) will be paid at the same time as the Performance Fee even if provision for Performance Fees is no longer made at that date.

Where a Performance Fee is payable it will be based on the NAV per Share of the Sub-Fund as at the end of each Performance Period. As a result, a Performance Fee may be paid in respect of unrealised gains, which may subsequently never be realised.

The Performance Fees payable as at the year end date, if any, are disclosed in the Statement of Net Assets and the Performance Fees charged during the year, if any, are disclosed in the Statement of Operations and Changes in Net Assets.

During the period, no Performance Fees were charged.

The Performance Fee calculation will be verified by the auditor of the Fund.

There will be no cap on the Performance Fee.

If the Investment Management Agreement is terminated before 31 December in any year, the Performance Fee in relation to the Sub-Fund in respect of the then current Performance Period will be calculated and paid as though the date of termination were the end of the relevant Performance Period.

10. Contingent Performance Fee

For the Sub-Fund Melchior European Absolute Return Fund (closed on 10 May 2023):

An additional 10% Performance Fee (the "Contingent Performance Fee") which may become due to the Investment Manager is intended to ensure that part of the Investment Manager's return from the management of the Sub-Fund is contingent upon the continued performance of the Sub-Fund, to create an appropriate alignment with investors in the Sub-Fund, and that no entitlement to any such amount should arise for the Investment Manager until the end of the period of two years following the end of a relevant Performance Period (the "Additional Performance Period").

Accordingly, the Contingent Performance Fee payable to the Investment Manager at the end of each Additional Performance Period shall be computed as follows:

- if, at the end of the Performance Period, both the performance test and the watermark test set out above are met, an amount of the assets of the European Absolute Return Fund shall be set aside ("the Set Aside Amount") equal to 10% of the amount by which the NAV per Share (before the deduction of Performance Fees) exceeds the Benchmark Return as at the end of a Performance Period (less any shortfall amount in accordance with paragraph B. (ii) above), multiplied by the number of Shares in issue in the European Absolute Return Fund;
- the Set Aside Amount will be retained in the Sub-Fund (net of any crystallised tax charge in respect of the Investment Manager's or its employees' share of the Contingent Performance Fee), during the Additional Performance Period and will be exposed to the investment returns of the Sub-Fund during that Additional Performance Period; and
- at the end of the Additional Performance Period, the resulting Set Aside Amount (which may be less or more than the initial Set Aside Amount since it has been exposed to the investment returns of the Sub-Fund during the Additional Performance Period) will be paid out of the Sub-Fund to the Investment Manager in EUR in arrears within 14 Business Days of the end of the Additional Performance Period.

MELCHIOR SELECTED TRUST

Notes to the Financial Statements

30 June 2023

(continued)

10. Contingent Performance Fee (continued)

A 1.50% per annum investment management fee will be levied against the Sub-Fund assets representing the invested Set Aside Amount until the Set Aside Amount is paid to the Investment Manager according to item 3 above.

The Contingent Performance Fee calculation is verified by the auditor of the Fund.

There will be no cap on the Contingent Performance Fee.

If the Investment Management Agreement is terminated before 31 December in any year, the Contingent Performance Fee in relation to the European Absolute Return Fund in respect of the then current Additional Performance Period will be calculated and paid as though the date of termination were the end of the relevant Additional Performance Period.

11. 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% since 1 June 2022 of the NAV of the Fund.

12. 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 abovementioned 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.

13. Domiciliary Agent

ONE corporate S.à r.l. has been appointed by the Fund as domiciliary agent of the Fund (the "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.

MELCHIOR SELECTED TRUST

Notes to the Financial Statements

30 June 2023

(continued)

14. 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.

15. Directors Fees

Further to the Annual General Meeting held on 3 May 2023, 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.

16. Sales Charges

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

17. 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 will determine the distribution policy for each relevant class of Dividend Shares. For Melchior European Opportunities Fund, the Board of Directors decided that dividends will be distributed semi-annually with respect to the Dividend Shares.

For the period ended 30 June 2023, no distributions were paid. For distributions paid after the period end, refer to Note 22.

Payments of distributions to holders of registered shares shall be made to such shareholders at their address in the register of shareholders.

The Board of Directors may decide to distribute stock dividends in lieu of cash dividends upon such terms and conditions as may be set forth by the Board of Directors, and upon having obtained specific consent from the general meeting of shareholders.

The annual general meeting of shareholders may also decide on the payment of further dividends.

No interest shall be paid on a dividend declared by the Fund and kept by it at the disposal of its beneficiary.

In any event, no distribution may be made if, as a result, the NAV of the Fund would fall below EUR 1,250,000.

Any distribution that has not been claimed within five years of its declaration shall be forfeited and revert to the Sub-Fund relating to the relevant class or classes of shares.

18. 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 2023, no swing pricing was applied.

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

MELCHIOR SELECTED TRUST

Notes to the Financial Statements

30 June 2023

(continued)

18. Swing Price (continued)

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.

19. 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.

20. Changes in the Investment Portfolio

A copy of the changes in the investment portfolio for the period ended 30 June 2023 is available free of charge at the registered office of the Fund.

21. Significant events during the Financial Period

As at 30 June 2023, the following securities are still at the former Depositary Bank, Edmond de Rothschild (Europe) is:

Sub-Fund	Qty	Security	Market Value EUR
Melchior Asian Opportunities Fund	300,000	BEST WORLD INTERNATIONAL	0.00
Melchior Global Multi Asset	42,000	SECURITY BANK CORP - PFD SHS	0.00

There remain two illiquid securities positions for liquidated sub funds on the accounts with the former Depositary Bank. Both assets are valued at zero.

These holdings remained on the former Depositary Bank's accounts as of 30 June 2023 solely for below technical reasons:

Melchior Asian Opportunities Fund – Best World International – these illiquid securities had been suspended on the Singapore stock exchange since 10 May 2019 and were abandoned by the sub-fund to CACEIS Bank, Luxembourg Branch as of 5 May 2021. The processing of this transfer has not yet been completed by the Singapore sub-custodian.

Melchior Global Multi Asset Fund – Security Bank Corp – Pfd Shs – these illiquid securities were subject to an OTC sale as of 31 August 2020. The settlement of this sale has not been completed as the current shareholding must be transformed into a physical certificate for which capital gains certification from a Philippines tax advisor is a pre-requisite.

MELCHIOR SELECTED TRUST

Notes to the Financial Statements

30 June 2023

(continued)

21. Significant events during the Financial Period (continued)

Cash balances on Transfer Agency accounts

Some of the redemption proceeds in cash are held off balance sheet on Transfer Agency accounts, for the sub-funds in liquidation namely Melchior Asian Opportunities Fund, Melchior Japan Advantage Fund, Melchior European Enhanced Absolute Return Fund and Melchior Global Multi Asset Fund.

As of 30 June 2023, the transfer of the illiquid securities and the pending payment from the escrow accounts are the reasons for which the liquidation of the aforementioned sub-funds has not yet been completed. It is anticipated that the legal ownership of the illiquid securities will be transferred to Edmond de Rothschild (Europe) so that the Fund will have no further claim to any future value of those assets and that once the escrow accounts held on behalf of investors in the liquidated sub-funds have been paid out, the Melchior Asian Opportunities Fund, Melchior Japan Advantage Fund, Melchior Global Multi-Asset Fund and Melchior European Enhanced Absolute Return Fund will be fully liquidated.

Mr. Richard Jones resigned as a Director of the Fund on 3 May 2023.

Due to the low level of assets in the Fund, the Board of Directors took the decision to liquidate Melchior European Absolute Return with effect from 2 May 2023, with shares redeemed on 10 May 2023. As at 30 June 2023, the Sub-Fund holds a remaining cash balance amounting to EUR 33,187. All due amounts and/or invoices have not yet been issued and/or received however accrued for. Northern Trust Global Services SE shall proceed with the payment of the last due amounts and/or invoices upon receipt before proceeding with the closure of the accounts.

22. Subsequent Events

The following table shows distributions declared after the period ended 30 June 2023:

Sub-Fund	Distribution	Distribution Rate	Record Date	Ex-Date	Pay Date
Melchior European Opportunities Fund					
Class I EUR Distribution Shares	EUR 10.95	0.970710	30 June 2023	3 July 2023	31 July 2023
Class P EUR Distribution Shares	EUR 168,717.89	1.060450	30 June 2023	3 July 2023	31 July 2023