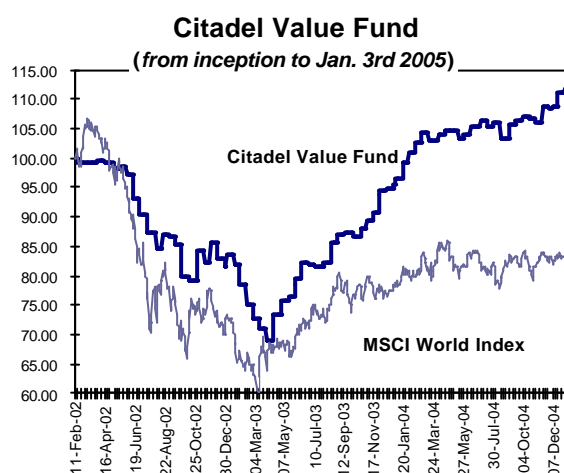


2004 Annual Review

NAV/share (03/01/05): EUR 111.81

ISIN code: LU0141953439

website: www.citadelfund.com



Citadel Value Fund Performance
(as of January 3rd, 2004)

	Since inception (11/02/02)	1 year	2003*	2004*
Citadel Value Fund	11.8%	17.2%	17.0%	17.2%
MSCI World Index	-16.3%	6.9%	11.3%	6.9%

note: MSCI World Index is based on total returns in Euro's
* annual returns are based on estimated NAV as of Dec. 31, 2002, 2003 & 2004
source: European Fund Administration, Datastream

Top 10 holdings

Wegener NV	9.1%
Bristol-Myers Squibb Co.	6.9%
Tamedia AG	5.6%
Nedschroef Holding NV	5.2%
Havas SA	4.4%
Heineken Holding NV	4.1%
Merck KGaA	4.1%
Sasa Industrie SA	3.7%
VLTA AB	3.4%
Springer (Axel) Verlag	3.4%

COMMENTARY

The Fund ended 2004 with a spurt in December (+2.9%), and generated a return of 17.2% for the year. This matched the performance of 2003, but represented a more pronounced out-performance compared to the MSCI World Index which rose by 6.9%. As of December 31st 2004 the estimated NAV was EUR 111.78 (EUR95.41 YE '03). Since inception the Fund is now ahead by 11.8% vs. -16.3% for the index, a difference in absolute terms of 28.1%. Some of the Fund's long-standing holdings performed very well although several, notably **Bristol-Myers Squibb, Telegraaf** and **Tamedia**, lagged and remain markedly undervalued. Unfortunately the excellent local currency performance of a number of holdings was hit hard by currency weakness vs. the Euro (e.g. US\$, £ & peso).

During December an offer was made for another of the Fund's holdings, Spanish airport retailer **Aldeasa**. A financial consortium is offering a price of EUR 29/share which represents a premium to the pre-bid market price of roughly 20%. Although the bid is below our own estimate of Aldeasa's value there is a possibility of a higher offer emerging – the stock continues to trade well above the offer price. Interestingly, of 30-odd stakes held in Citadel's portfolio at the beginning of the year, this was the third take-over bid made in 2004.

It is anybody's guess what stock markets in general will do in 2005. However, Citadel's performance will largely be driven by what happens at the individual companies (only 31 currently) in its portfolio. And in this regard there is reason for optimism. Most remain very undervalued although a few smaller holdings - which are beginning to approach their price targets – will likely be sold.

IMPORTANT: An investment in the Fund carries with it a degree of risk. The value of your investment may go down as well as up, and you could lose money on your investment. Past performance provides no guarantee for the future. Investors should read the Fund's prospectus before deciding whether to invest. The opinions and commentary expressed herein should in no way be construed as personal investment advice, they are intended solely to illustrate the Fund's investment strategy and performance.