

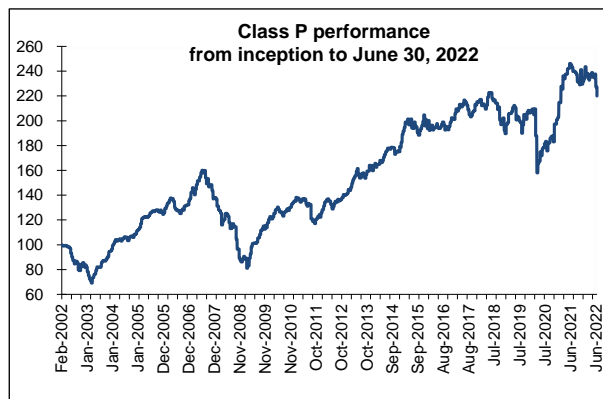


## June 2022 Update – Class P

**NAV/P share (30/6/2022): EUR 219.93**

**ISIN code:** LU0141953439

**Website:** [www.citadelfund.com](http://www.citadelfund.com)



Citadel Value Fund - Performance overview Class P as of Jun 30, 2022	NAV (in €)	Net Return
since inception	219,93	119,9%
2022 YTD	219,93	-6,2%
2021	234,41	15,6%
2020	202,77	-2,9%
2019	208,77	10,1%
2018	189,66	-12,1%
2017	215,83	7,4%
2016	201,03	-0,1%
2015	201,21	12,2%
2014	179,39	10,1%
2013	162,98	15,1%
2012	141,66	12,7%
2011	125,70	-6,9%
2010	134,97	12,9%
2009	119,52	36,2%
2008	87,76	-35,8%
2007	136,76	-0,5%
2006	137,40	9,7%
2005	125,20	12,0%
2004	111,78	17,2%
2003	95,41	17,0%
2002	81,58	-18,4%

The Fund is actively managed without a benchmark reference. Source: EFA

## COMMENTARY

Stock markets posted their worst first half of a year in decades, with the broad S&P 500 index down 21% and the NASDAQ Technology index ending 30% below its end-of-year level. Higher interest rates and fears of a recession have clearly started impacting financial markets. Citadel's performance was down for the month of June, posting a -6.2% return year-to-date. The MSCI World index (in €) is -13.5% lower year-to-date. Since inception Citadel's return has been +120%.

As highlighted in the Fund's recent annual shareholder letter, excessive valuation multiples have been coming down for the last 6 to 8 months. We believe the next phase has now started with earnings expectations also declining on the back of an expected macro economic growth slowdown. While Citadel's deep value approach provides a significant cushion against these risks, we are getting more excited about the growing number of value opportunities starting to emerge amid the negative market sentiment.

Citadel's strongest performance contributor in June was **Zwack Unicum** (Hungarian branded spirits). Zwack posted very strong results, reflecting a post-covid recovery of its business. Its very high free cash flow will allow for a record dividend payout in July, equalling a net dividend yield of 8%.

On the other side of the spectrum, **Dewhurst** (lift components) was this month's largest detractor. While the company posted decent H1 results, profits for H2 will be impacted by the consequences of a cyber attack. Although one-off, this news resulted in significant share price pressure.

Top-5 Fund Positions & Valuation		Current Price (in €m)			Current Valuation				
Company name	Geography	Market Cap	Net Cash	Ent. Value	EV/Sales	EV/EBITDA	FCF Yield	Div. Yield	Upside pot.
Pronexus	Japan	190	142	49	0,3	1,5	22%	3%	84%
National Oilwell Varco	USA	6.727	55	6.672	1,3	29,9	3%	1%	95%
Dewhurst -A-	UK	52	22	30	0,5	2,4	18%	2%	102%
Vitesco	Germany	1.445	754	691	0,1	1,0	11%	0%	354%
Boskalis	NL	4.147	661	3.486	1,2	7,9	nm	2%	13%
<b>Citadel Value Fund "look-through"</b>		<b>100%</b>	<b>50%</b>	<b>50%</b>	<b>0,4</b>	<b>3,6</b>	<b>9%</b>	<b>3%</b>	<b>81%</b>
<b>MSCI World Index</b>		<b>100%</b>	<b>-9%</b>	<b>109%</b>	<b>2,4</b>	<b>12,1</b>	<b>5%</b>	<b>2%</b>	

**Note:** Net Cash includes financial fixed assets. Valuation ratios are based on last reported financial year **Source:** MSCI, Bloomberg, D&F Financial Services

**IMPORTANT:** This newsletter constitutes marketing communication. 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 and KIID before making any investment decisions. 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.