

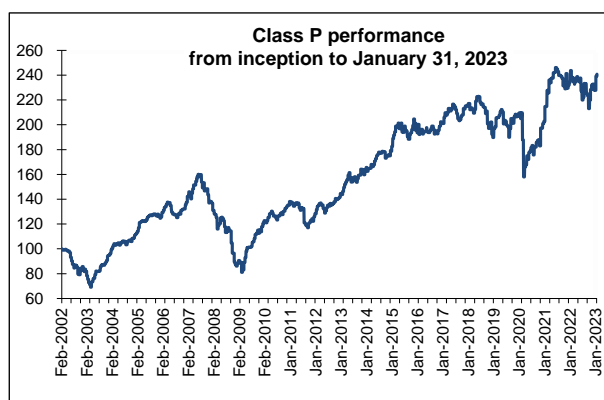


January 2023 Update – Class P

NAV/P share (31/1/2023): EUR 240.72

ISIN code: LU0141953439

Website: www.citadelfund.com



Citadel Value Fund - Performance overview Class P as of Jan 31, 2023	NAV (in €)	Net Return
since inception	240,72	140,7%
2023 YTD	240,72	5,7%
2022	227,83	-2,8%
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

The year 2023 enjoyed a jumpstart in financial markets. The MSCI World index (in €) was up 5.2% in January, eliminating most of its December losses. Citadel's monthly performance was even a touch stronger, realising a 5.7% return. Since inception Citadel's return has been +141%.

Citadel's largest performance contributors were **Vitesco** (automotive parts) and **Swatch Group** (luxury watches). Positive for Vitesco were strong electric vehicle deliveries, enabled by improved availability of electric components. Swatch reported FY22 results, realising the highest profitability since 2015. The share price of Swatch (+25% in one month) also benefited from the expectation that demand for watches in China will recover alongside the country's recovery from the recent Covid peak.

MPAC Group (packaging machinery) issued a positive trading update, indicating a solid profit recovery in the 2nd half of 2022 relative to a poor 1st half. In addition, order intake was said to be strong once again. Surprisingly, MPAC was the fund's largest performance detractor in January despite this upbeat statement and despite its low valuation.

Although one might think otherwise when looking at the rapidly rising stock market, the macro-economic outlook for 2023 is still cloudy. Many companies published results below market expectations, warn about lower demand and start to cut costs. Retail spending has been declining in recent months. Together with ongoing high inflation, this points to significant demand reduction. At Citadel, we tend to err on the side of caution and continue to apply a significant margin of safety when deciding on the attractiveness of an investment case. This reduces risk and cushions potential negative surprises.

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.
Vitesco	Germany	2.525	754	1.772	0,2	2,6	4%	0%	190%
National Oilwell Varco	USA	9.345	63	9.282	1,8	43,3	2%	1%	39%
Signify	NL	4.323	-959	5.282	0,8	6,4	12%	4%	79%
Swatch Group	Switzerland	17.101	2.524	14.577	2,0	9,9	7%	2%	26%
Pronexus	Japan	174	142	32	0,2	1,0	34%	4%	102%
Citadel Value Fund "look-through"		100%	48%	52%	0,5	4,6	7%	3%	58%
MSCI World Index		100%	-8%	108%	2,7	13,9	4%	2%	

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 KID 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.