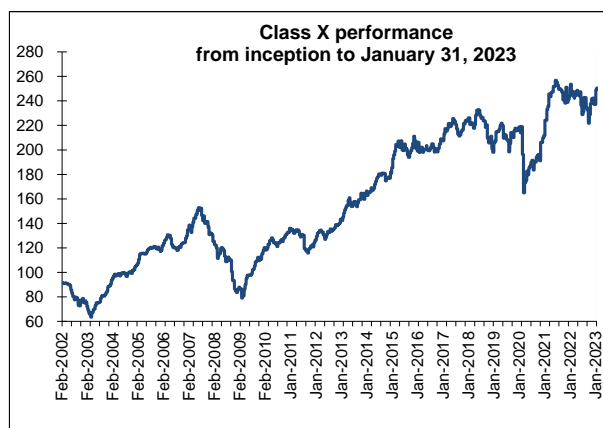


January 2023 Update – Class X

NAV/X share (31/1/2023): EUR 250.53

ISIN code: LU0939062922

Website: www.citadelfund.com



Citadel Value Fund - Performance overview Class X as of Jan 31, 2023		
	NAV (in €)	Net Return
since inception	250,53	172,6%
2023 YTD	250,53	5,7%
2022	237,11	-2,8%
2021	243,96	15,2%
2020	211,78	-2,9%
2019	218,05	10,1%
2018	198,09	-11,8%
2017	224,56	8,3%
2016	207,40	0,1%
2015	207,17	13,9%
2014	181,92	11,4%
2013	163,37	16,5%
2012	140,25	13,0%
2011	124,11	-6,4%
2010	132,62	13,6%
2009	116,78	36,9%
2008	85,30	-34,7%
2007	130,72	0,8%
2006	129,71	10,2%
2005	117,70	11,9%
2004	105,19	17,6%
2003	89,42	19,3%
2002	74,96	-18,4%

The Fund is actively managed without a benchmark reference. Source: EFA
X share class inception 4/6/2013. Prior perf. estimated based on class-P

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 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.

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 +173%.

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.