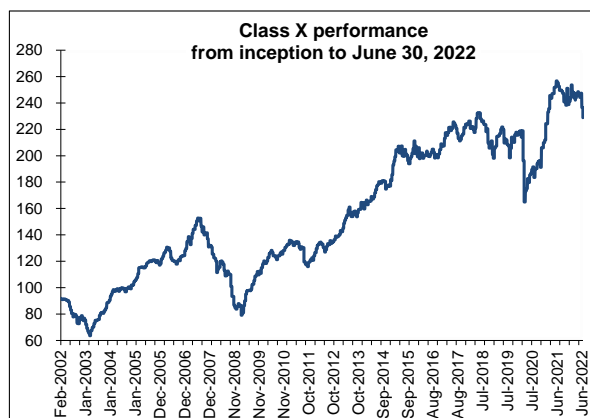


June 2022 Update – Class X

NAV/X share (30/6/2022): EUR 228.89

ISIN code: LU0939062922

Website: www.citadelfund.com



Citadel Value Fund - Performance overview Class X as of Jun 30, 2022	NAV (in €)	Net Return
since inception	228.89	149.1%
2022 YTD	228.89	-6.2%
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

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 +149%.

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%
Citadel Value Fund "look-through"		100%	50%	50%	0,4	3,6	9%	3%	81%
MSCI World Index		100%	-9%	109%	2,4	12,1	5%	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.