

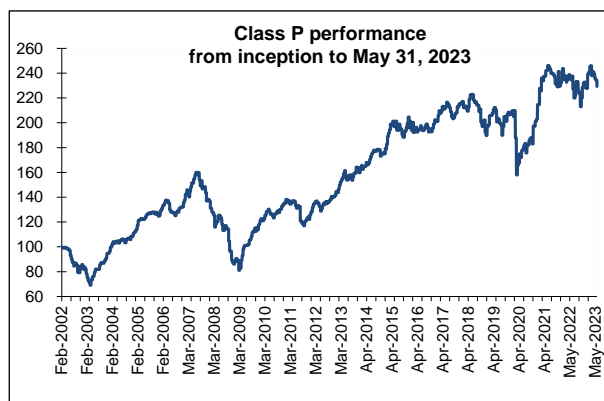


May 2023 Update – Class P

NAV/P share (31/5/2023): EUR 229.30

ISIN code: LU0141953439

Website: www.citadelfund.com



Citadel Value Fund - Performance overview Class P as of May 31, 2023	NAV (in €)	Net Return
since inception	229,30	129,3%
2023 YTD	229,30	0,6%
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 development of equity markets in May resembled a tale of two stories. On the one hand, broader stock markets -excluding technology stocks- were down (-3.5% for the Dow Jones; the Eurostoxx-50 was down 3.2%) as the economy in many countries showed further signs of a slowdown, or even a recession. On the other hand, every company that was presumed to have a connection with the buzzword “Artificial Intelligence”, shot up significantly (the NY FANG index was up no less than +17% in just one month). Because of a stronger USD, the MSCI World index in € was up 2.5% in May. Citadel's performance was -2.7% in May and +0.6% year-to-date. Since inception Citadel's return has been +129%.

The Fund's strongest performer in May was **Toyota Industries** (material handling, automotive production). The stock recovered from an earlier hiccup related to regulatory issues in its forklift division. It benefited from good annual results that were recently announced, including a strong outlook for next year. Despite the recent share price rally, we believe the stock is still extremely undervalued, based on its own outlook, but certainly also due to the buoyant outlook at Toyota Motor, in which it holds a stake of over 8%.

The Fund's main detractor in the month was **Signify** (lighting products and services). At the start of the year, Signify had warned of a weaker market environment against last year's high comparison base. Considering this, we believe that the recent quarterly results were still reasonable, but the market thought otherwise. On a positive note, we believe the current attractive valuation level is a clear buying opportunity for this cash-generative company, as it trades at an 11% free cash flow yield and a 6.3% dividend yield.

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	2.435	865	1.571	0,2	2,0	9%	0%	204%
SOL Group	Italy	2.349	-236	2.585	1,9	7,9	5%	1%	10%
Signify	NL	3.093	-1.077	4.170	0,6	4,9	11%	6%	148%
Dewhurst -A-	UK	59	23	35	0,5	2,9	11%	2%	84%
Pronexus	Japan	163	139	23	0,1	0,7	47%	4%	105%
Citadel Value Fund "look-through"		100%	50%	50%	0,4	3,4	8%	4%	78%
MSCI World Index		100%	-15%	115%	2,1	10,7	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.