

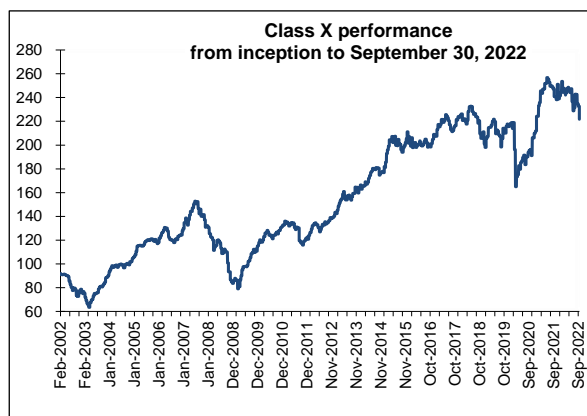


## September 2022 Update – Class X

**NAV/X share (30/9/2022): EUR 221.74**

**ISIN code: LU0939062922**

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



Citadel Value Fund - Performance overview		
Class X	NAV	Net
as of Sep 30, 2022	(in €)	Return
since inception	221,74	141,3%
2022 YTD	221,74	-9,1%
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

During September, equity markets as well as bond markets were very downbeat. Major equity indices lost 10% during the month. High volatility in foreign exchange rates added to the harsh market environment. Citadel, outperforming markets, was down 5.5% in September, and -9.1% year-to-date. The MSCI World index (in €) ended with a negative year-to-date performance of -13.4%. Since inception Citadel's return has been +141.3%.

**Vitesco** (electrical drive components) contributed to the Fund's performance, following strong order intake in the 2<sup>nd</sup> quarter. In October, management will announce a strategy update aimed at solidifying its strong market position in the high-growth electric vehicle markets. **MPAC** (packaging machinery) closed a major deal with Freyr to deliver battery cell assembly machinery, a corporate milestone worthwhile mentioning. In contrast, **TGS** (seismic data) was the month's largest detractor. Despite the quite strong business environment, the stock was pressured by oil price volatility.

As we wrote at earlier occasions, Citadel's deep value investment strategy is designed to provide peace-of-mind in turbulent times. We believe investors can navigate choppy markets with Citadel's current portfolio of solid, low-risk companies, trading at a very low valuation (10% weighted free cash flow yield). This large margin-of-safety helps preventing permanent capital loss.

Now that the scenario of an economic recession seems to unfold, Citadel intends to benefit from new investment opportunities that these volatile markets provide. Citadel's edge is to remain focussed on long-term company prospects and valuations without getting distracted by short-term turmoil.

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	1.963	754	1.210	0,1	1,8	6%	0%	234%
National Oilwell Varco	USA	6.859	59	6.799	1,2	28,6	3%	1%	104%
Dewhurst -A-	UK	52	22	31	0,5	2,5	17%	2%	98%
Pronexus	Japan	172	141	31	0,2	1,0	36%	4%	104%
Signify	NL	3.369	-959	4.328	0,6	5,2	14%	6%	129%
Citadel Value Fund "look-through"		100%	54%	46%	0,4	3,4	10%	4%	86%
MSCI World Index		100%	-10%	110%	2,2	11,2	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.