



**Annual report including audited financial statements for the period  
from June 1<sup>st</sup> 2024 to December 31<sup>st</sup> 2024**

# **Citadel Value Fund SICAV**

Société d'Investissement à Capital Variable  
Luxembourg

R.C.S. Luxembourg B85320

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## Citadel Value Fund SICAV

### Organisation

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**Board of Directors***Directors*

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**Board of Directors of  
the Management Company**

Loïc DE CANNIERE  
Bernard PONS  
Guy POURVEUR

**Conducting officers of  
the Management Company**

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Bernard PONS  
Patrick VANDER EECKEN  
Thierry LEONARD  
Frédéric VENDITTI

**Investment Manager**

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## **Citadel Value Fund SICAV**

### **Organisation (continued)**

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**Delegated administrator, registrar  
and transfer agent**

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**Réviseur d'entreprises agréé**

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Cabinet d'avocat Marleen Watté-Bollen  
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## Citadel Value Fund SICAV

### Report on activities of the Board of Directors

#### DEAR SHAREHOLDER

It is our pleasure to present the Board Report to you.

First, we would like to remind you that in November 2024, the decision was made to change Citadel's financial year-end from 31 May to 31 December. This adjustment aligns investor communication and reporting with industry standards. As a result, the reporting period of the financial year 2024 runs from 1 June 2024 to 31 December 2024. Starting in 2025, Citadel's financial year will correspond to the calendar year. Please note that all historical performance overviews remain unchanged, as they have always been based on calendar years.

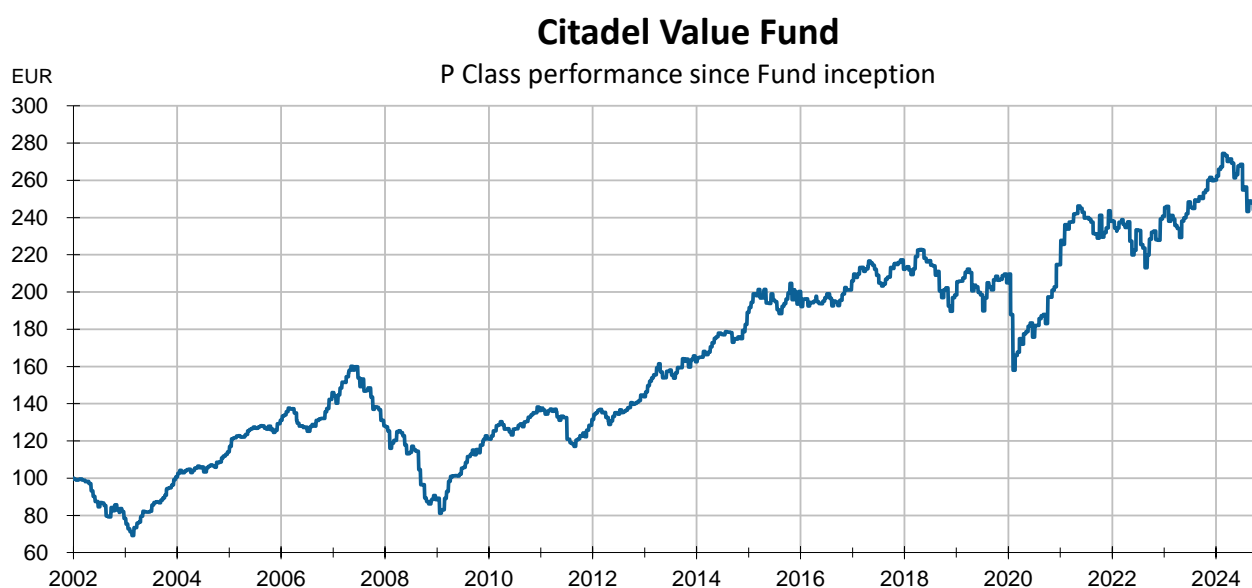
Citadel's calendar year 2024 return of its P class shares amounted to -5.1%. While performance in the first half was positive, this was offset by negative returns in the second half. For the seven months financial year 2024 (1 June to 31 December 2024), the P class shares recorded a return of -7.8%, bringing the total return since inception to 148.2%. The Fund ended the year 2024 at a Net Asset Value of €248.16 per P class share.

Period	NAV (€)	Net return
Since inception		148,2%
Latest NAV as of Dec 31, 2024	248,16	-5,1%
Dec 29, 2023	261,56	14,8%
Dec 30, 2022	227,83	-2,8%
Dec 31, 2021	234,41	15,6%
Dec 31, 2020	202,77	-2,9%
Dec 31, 2019	208,77	10,1%
Dec 31, 2018	189,66	-12,1%
Dec 29, 2017	215,83	7,4%
Dec 30, 2016	201,03	-0,1%
Dec 31, 2015	201,21	12,2%
Dec 31, 2014	179,39	10,1%
Dec 31, 2013	162,98	15,1%
Dec 31, 2012	141,66	12,7%
Dec 30, 2011	125,70	-6,9%
Dec 31, 2010	134,97	12,9%
Dec 31, 2009	119,52	36,2%
Dec 31, 2008	87,76	-35,8%
Dec 31, 2007	136,76	-0,5%
Dec 29, 2006	137,40	9,7%
Dec 30, 2005	125,20	12,0%
Dec 31, 2004	111,78	17,2%
Dec 31, 2003	95,41	17,0%
Dec 31, 2002	81,58	-18,4%

Past performance does not predict future returns

Fund inception: Feb 11, 2002 at an NAV of €100. Source: UI EFA

The X class shares ended the year 2024 at an NAV of €260.39, -4.8% for the calendar year 2024 and -7.8% for the seven months financial year. Since inception of the Fund, the X class shares have achieved a cumulative return of 183.4%.



## VALUATION DOES MATTER

Whilst this report focuses on Citadel's developments, it is inevitable to highlight the stark contrast between Citadel's value-based investment strategy and index investing in 2024. Incredibly, global (!) equity market returns have been predominantly driven by the extraordinary share price performance of a small number of US technology stocks. Previously known by the acronyms FANG+ and FANGMAN, this group is now referred to as the Magnificent Seven. Among them, NVIDIA has emerged as the most prominent member and, as of the end of 2024, the most valuable company in the world. With a market cap of approximately \$3,500 billion, its value is roughly equal to the total size of the United Kingdom's economy.

Collectively, the Magnificent Seven account for an outsized 33% of the S&P 500 index - the widely recognised market-cap-weighted US index - overshadowing the fact that the remaining 493 largest US stocks demonstrated relatively mediocre performance as a group. Moreover, these seven behemoths have propelled US stocks to dominate 74% of the MSCI World index, up from 50% only a few years ago (and Japan having the second largest country weighting with only 5%). This extreme concentration renders the widely used MSCI World index ineffective for what is intended to be a broad global benchmark. It's prudent to keep in mind that NVIDIA and Apple combined account for about 10% of the MSCI World index (consisting of the world's 1,400 largest companies).

Citadel's investment approach is founded on the principle, that the valuation at which you purchase an investment plays a critical role in reducing risk and achieving future investment return. This contrasts with so-called 'rear-view mirror' investing, where past returns are a leading indicator. Investing in today's market index – whether done through a US index ETF or a world index ETF – means gaining outsized exposure to assets that have performed very well over the past two years. This, unfortunately, also involves highly concentrated exposure at historically high valuation levels.

Value investing, by contrast, involves acquiring solid investments at low entry valuations – a strategy that Citadel has consistently followed since its inception in 2002, independent of market cycles. We believe this time-tested approach is both robust and reliable, helping to mitigate what we think is the only risk that's relevant, the permanent loss of capital. The Fund's strong returns in 2022 and 2023 serve as evidence of this. In 2024, however, some of the Fund's holdings faced significant headwinds, leading to disappointing performance. The section below on Fund Performance provides a detailed explanation of the portfolio's gains and losses during the year.

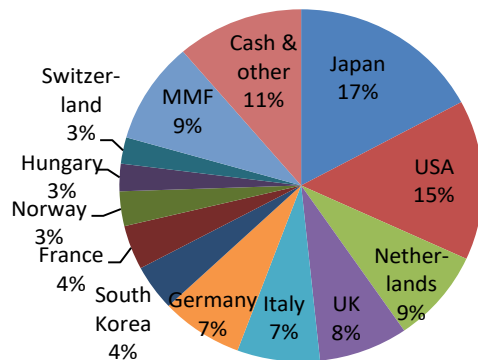
Despite last year's performance falling short of expectations, we remain confident that Citadel offers a hedge against the irrational exuberance of speculation-driven markets. In a world where investors are prepared to pay 160 times earnings for a carmaker or USD 6 million for a banana duct-taped to a wall, you can trust Citadel to maintain a disciplined, common-sense investment approach.

## PORTFOLIO OVERVIEW

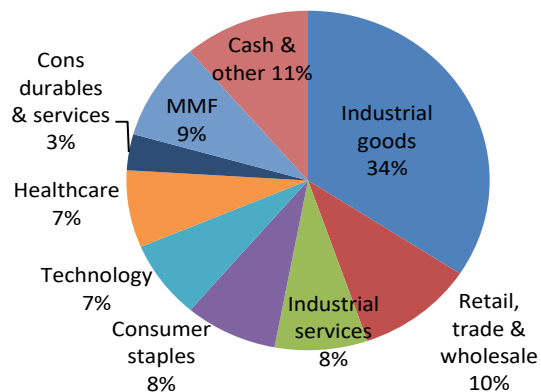
We highly value the principle of transparency for our shareholders and, therefore, always share the Fund's entire portfolio in this report, along with discussing significant changes to the Fund's holdings. As of 31 December 2024, Citadel's portfolio comprises investments in 20 companies. The portfolio is geographically well-diversified across major developed economies, with Japan, the USA and the Netherlands as the top three. Since most companies in the portfolio operate on a multinational scale, the Fund naturally has exposure to a wide range of countries worldwide. In terms of currency exposure, 48% of the Fund's net assets are denominated in Euro's, which is the Fund's reference currency. The

Japanese Yen (17%) and the US Dollar (15%) are the only other currencies with a weighting of over 10% of the Fund's net assets.

**Portfolio by Country**



**Portfolio by Sector**



The portfolio's three largest industry sectors are industrial goods, retail and trade, and industrial services. Technology-related exposure accounted for 7% of the portfolio. While Citadel's portfolio has traditionally leaned a bit towards small-cap stocks, the current small-cap exposure is limited to 23% of net assets. With a share of 42%, large-cap stocks represent the largest portion of the portfolio, with mid-caps comprising 14%. It is worth noting that small caps made a very positive contribution to the Fund's performance in 2024. This stands in contrast to the occasional narrative suggesting that small caps are generally underperforming in the current market environment.

As of 31 December 2024, Citadel's net cash balance, primarily held in interest-bearing deposits, stood at 11% of total net assets, down from 23% on 31 May 2024. This reduction reflects the significant deployment of cash into investments during the year. In addition to equity investments and cash, the Fund maintains a 9% position in an ultra-short-duration money market fund. All cash balances, deposits, and money market fund positions contributed positively to Citadel's returns. The Fund's ample holdings in cash & cash equivalents provided flexibility to capitalise on new investment opportunities amid volatile markets. Further details on these opportunities will be discussed later in the letter.

Portfolio Holdings		
as of 31 December 2024		
Company	Activity	% of NAV
SOL Group	healthcare & industrial (homecare, medical & technical gases)	7,4%
Signify	industrial goods (lighting)	6,2%
Pronexus	business services (financial documentation & IR services)	5,1%
Toyota Industries	industrial goods (Toyota, forklifts, engines, cars & parts)	4,6%
MPAC Group	industrial goods (packaging machinery)	4,7%
Nichirin	industrial goods (automotive & motorcycle components)	4,3%
Samsung Electronics -Pref-	technology (semiconductors & consumer electronics)	4,2%
Kering	consumer goods (luxury goods)	4,1%
American Eagle Outfitters	retail (apparel)	4,0%
NOV	industrial goods (oil & gas equipment & services)	3,9%
Jost Werke	industrial goods (truck and tractor parts)	3,8%
Continental	industrial goods (tires & automotive components)	3,6%
Brunswick Corporation	consumer goods (marine products)	3,4%
Village Super Market -A-	retail (supermarkets)	3,4%
TGS	industrial services (seismic data)	3,2%
Sumco	technology (semiconductor supplies)	3,2%
Dewhurst -A-	industrial goods (elevator fixtures & controls)	3,2%
Zwack Unicum	consumer goods (spirits)	2,5%
Swatch Group	consumer goods (luxury watches & jewelry)	2,4%
Ahold Delhaize	retail (supermarkets)	2,3%
JP Morgan Ultra Short Income UCITS ETF	money market fund	9,3%
Cash and other assets & liabilities		11,3%
		100,0%



Overall, the current portfolio is well-diversified and attractively valued, with a look-through free cash flow yield of 6% and an EV/EBITA multiple of approximately 8x. By comparison, the MSCI World index trades at a multiple of 18x operational profit and offers a free cash flow yield of just 3%, highlighting the relative attractiveness of Citadel's portfolio valuation. As of 31 December 2024, the portfolio was trading at a 44% discount to its estimated intrinsic value, providing a substantial margin of safety. This should offer peace of mind, in contrast to the very high valuations of the major market indices.

#### PORTFOLIO CHANGES

We are excited that during 2024, Citadel added three new names to its portfolio, **Jost Werke**, **Kering** and **Brunswick Corporation**, each acquired at an attractive valuation.

Among these, **Jost Werke** is perhaps the least well-known. Based in Germany, Jost is a global market leader in components for truck and tractor manufacturers. Its product range includes truck-trailer couplings and other mission critical components for trucks and trailers, as well as front loaders and other systems for tractors. In 2024, Jost announced its acquisition of Hyva, a Netherlands-based global market leader for hydraulic tipping systems in the same sectors. This acquisition adds a sizeable and complementary business to Jost's existing operations. The Citadel team conducted a site visit in 2024 and held meetings with Jost's management. With its strong market positions, consistent financial performance, solid balance sheet, and experienced management team, Jost aligns well with the Fund's selection criteria. After having had Jost on our opportunities radar for several years, Citadel bought a stake during the summer months at quite an attractive valuation. We believe the shares are worth at least double the Fund's purchase price.

A second addition to the portfolio is **Kering**, one of the world's leading luxury houses. While best known for operating the iconic Gucci brand, Kering also owns other prestigious names, including Yves Saint Laurent, Bottega Veneta, Balenciaga and several others. With annual revenue of approx. €20bn and a network of 1,800 stores, the company has achieved significant growth in both revenue and EBIT over the past decade. Gucci is one of the world's few luxury brands generating over €10bn in annual sales. Despite its historical success, Gucci is currently undergoing a strategic repositioning under new management and a new creative director, during a challenging period for global luxury markets. 2024 profitability was under significant pressure as a result. Taking these factors into account, while also anticipating a mid-term recovery in profits, Citadel initiated a position in this high-return business after the valuation had declined significantly.

The third addition to the portfolio in 2024, made in late December, is US-based **Brunswick Corporation** - an investment opportunity that had been on our radar for some time. Brunswick is a global leader in recreational marine products, including boat outboard engines (with the frequently seen Mercury outboard engine), parts and accessories, marine navigation and other boat-related technologies, as well as the manufacturing of entire boats. The engine and parts business segments, which combined generate approx. 80% of group operating profit, deliver through-the-cycle operating margins of up to 20%, making them the primary value drivers of the company. In 2023 and 2024, the marine market experienced a slowdown in demand, which we anticipated would result in lower sales and margin pressure due to lower capacity utilisation. It took quite some time for the share price - and thus the valuation - to reflect this temporary decline in the results outlook. Once it did, we were able to purchase a position in Brunswick at an attractive price. While we expect 2025 to remain a year of modest results, we believe that historically low boat volumes in the US will eventually recover, providing significant growth opportunities for Brunswick in the future.

Navigating through very volatile markets, particularly in August and September, some significant declines in share prices also presented attractive buying opportunities in the existing portfolio. We increased our holdings in **Continental**, **Nichirin**, **Samsung Electronics**, **Signify**, **Sumco** and **TGS** as a result. Continental is in the process of splitting its business, transitioning into a pure-play tyre and industrial rubber-products producer - a highly attractive, stable, and high-return activity. Signify, currently dealing with reduced market demand for lighting products, is outright cheap. We view this situation as temporary, and it represented a compelling buying opportunity. Nichirin, Samsung, Sumco and TGS all experienced share price pressures during 2024, allowing us to increase Citadel's exposure to these companies at appealing valuation levels.

<b>Changes in the Portfolio</b>	
<b>1 January 2024 to 31 December 2024</b>	
<b>Holdings bought or added to</b>	<b>Holdings reduced or sold</b>
Brunswick	Dewhurst -A-
Continental	Stellantis
Jost Werke	Village Super Markets
Kering	
Nichirin	
Samsung Electronics	
Signify	
Sumco	
TGS	

Earlier in the year, the Fund reduced its stake in **Dewhurst**, a UK-based producer of lift components that has been part of Citadel's portfolio since 2004. Dewhurst has been a rewarding investment, delivering a total return exceeding 300%. In the second half of 2024, we exited our position in **Stellantis**, a decision that we will explain below. In addition, the Fund reduced its exposure to **Village Super Market**, a regional supermarket chain operating on the US East Coast. This decision followed a strong rally in its share price. Compared to the Fund's average purchase price, the total return stands at +97%.

## PERFORMANCE HIGHLIGHTS

With a 128% return, Citadel's stake in **MPAC Group**, a UK-based packaging machinery producer, delivered exceptional performance in 2024. The share price reflects an outstanding year for MPAC, marked by strong profitability improvements, as highlighted in the recent trading update. In addition, the company completed two important and highly complementary acquisitions, positioning MPAC with an improved product offering, increased manufacturing scale and market presence. These takeovers bring substantial opportunities for synergies and operational leverage. To retain confidence as MPAC undertakes these important growth steps, we engaged in detailed discussions with management on various topics and conducted a site visit to a key production facility.

Other strong performance contributors included **SOL Group** (+35%), **Village Super Market** (+34%), **Zwack Unicum** (+35%) and **Ahold Delhaize** (+25%). SOL delivered excellent operating performance, exceeding expectations. Village Super Market achieved all-time high operating profits in its fiscal year 2023, and solid results continuing into 2024. **Zwack Unicum** posted a remarkable +45% share price performance in local currency (including a 6% dividend yield), but the depreciating Hungarian Forint reduced this to a +35% return in Euros. It is noteworthy that four out of the five best-performing stocks in 2024 were considered to be small caps. Ahold Delhaize, the fifth strong performer, realised healthy financial performance in 2024 and has continued its track record as an excellent supermarket operator.

Most significant performance contributors & detractors					
1 January to 31 december 2024					
Holding	Contribution	Absolute return	Holding	Detraction	Absolute return
MPAC Group	2,5%	128%	Sumco	-2,2%	-41%
SOL Group	1,8%	35%	Samsung Electronics Pref	-1,9%	-32%
Village Super Market -A-	0,9%	34%	Stellantis	-1,7%	-37%
Zwack Unicum	0,7%	35%	Signify	-1,6%	-20%
Ahold Delhaize	0,5%	25%	Kering	-1,1%	-22%

*Note: Returns in € and including dividends*

Unfortunately, 2024 was also a year in which the Fund faced an unusually high number of significant performance detractors, also in the technology sector. While a select few large US technology stocks soared to extremely high valuation levels, much of the broader technology sector did not perform positively. Mainstream semiconductor markets were rather subdued in 2024, especially during the second half of the year. This was evident in the performance of **Samsung Electronics**, a global leader in memory chips and smartphones, and **Sumco Corporation**, a leading producer of silicon wafers for semiconductor manufacturing. Samsung faced delays in launching AI-processor related memory products, and its performance headwind was compounded by weak demand from PC and smartphone markets.

Similarly, Sumco was affected by the broader softness in semiconductor demand. While there was high demand for Sumco's high-end wafers used in AI processors, it was insufficient to offset the overall market slowdown. That said, expectations are that the wafer market will normalise over the course of 2025. Another detractor to the Fund's performance in 2024 was **Stellantis**, a top five global carmaker, which we will discuss in the next section.

## INVESTMENT CASE STELLANTIS REVISITED

The Fund initiated a position in this major carmaker in early 2023. While the investment in Stellantis delivered a +40% return in 2023, the Fund had to digest a -37% return in 2024. Citadel exited the position in the third quarter of 2024, resulting in a small negative total return since purchase. The limited permanent capital loss does highlight the importance of buying stocks at a wide margin of safety relative to their assessed intrinsic value. By acquiring Stellantis at a very low valuation in 2023, the Fund was able to protect shareholders' capital even when the company's performance started to diverge from initial expectations.

When Stellantis was added to the portfolio in 2023, we were impressed by its platform strategy for transitioning from internal combustion engine (ICE) vehicles to electric vehicles (EVs), its impressive product roadmap, low China exposure, industry-leading profitability, robust cash flow generation and very attractive valuation. Indeed, 2023 proved to be the company's best year on record. However, circumstances shifted in 2024. The EV transition in Europe faced delays, and the company lost market share in North America during the transition to new product platforms. These challenges were compounded by issues with car dealerships and key management departures.

Why were we wrong-footed regarding Stellantis' investment case? It became clear that management had prioritised short-term profitability during its extensive product transition in an otherwise weak car market. Profitability indeed remained strong until mid-2024, but at the expense of market share and its relationship with the car dealership network. Amid a delayed product transition, these issues proved more significant than we (and likely management) had anticipated. When the CFO was scapegoated for

what appeared to be poor operational, rather than financial, decision making, Citadel decided to divest the holding. Shortly after, the CEO also exited the company. This episode underscores the importance of management quality and the fact that strong short-term financial results can mask underlying operational issues. We believe exiting the holding as operational risks started to increase was the correct decision. However, with the benefit of hindsight, we could have acted sooner after we questioned the company when operational challenges started to emerge and should have put less weight on the company's overly confident reassurances during our inquiries.

## IN CONCLUSION

Quoting Howard Marks of Oaktree: "the riskiest thing in the world is the belief that there's no risk". At Citadel, valuation and risk analysis lie at the heart of our investment process. Finding a low price relative to a company's earnings potential is the intended outcome of this disciplined approach. This stands in stark contrast to the automated buying of a highly priced index, without any regard for its underlying intrinsic value and its automatic bias to shares in companies that have performed well in the previous years.

We would like to express our appreciation and gratitude to Citadel's loyal shareholders, who trust that the Fund's investment philosophy will continue to deliver peace of mind and sound long-term returns, providing a hedge against speculative markets.

Kind regards,

**Citadel Value Fund SICAV**

Luxembourg, 28th January 2025

The Board of Directors

Please note:

- In the context of the Report of the Board, we kindly refer to Notes 11 and 12 of this Annual Report for statements regarding the situations in Ukraine and the Middle East, respectively.
- Calculations and charts are based on official data from UI efa.
- The information in this report represents historical data and is not an indication of future results.

## REPORT OF THE REVISEUR D'ENTREPRISES AGREE

To the Shareholders of  
CITADEL VALUE FUND SICAV  
2, rue d'Arlon  
L-8399 Windhof (Koerich)

### Opinion

We have audited the financial statements of Citadel Value Fund SICAV (the "Fund"), which comprise the statement of net assets and the statement of investments and other net assets as at 31 December 2024, and the statement of operations and other changes in net assets for the period from 1 June 2024 to 31 December 2024, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Citadel Value Fund SICAV as at 31 December 2024, and of the results of its operations and changes in its net assets for the period from 1 June 2024 to 31 December 2024 in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements.

### Basis for opinion

We conducted our audit in accordance with the Law of 23 July 2016 on the audit profession ("Law of 23 July 2016") and with International Standards on Auditing (ISAs) as adopted for Luxembourg by the "*Commission de Surveillance du Secteur Financier*" ("CSSF"). Our responsibilities under the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the « Responsibilities of the "*réviseur d'entreprises agréé*" for the audit of the financial statements » section of our report. We are also independent of the Fund in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the financial statements, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Other information

The Board of Directors of the Fund (the “Board of Directors”) is responsible for the other information. The other information comprises the information stated in the annual report but does not include the financial statements and our report of the “*réviseur d’entreprises agréé*” thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report this fact. We have nothing to report in this regard.

## Responsibilities of the Board of Directors for the financial statements

The Board of Directors is responsible for the preparation and fair presentation of these financial statements in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Fund’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

## Responsibilities of the “*réviseur d’entreprises agréé*” for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the “*réviseur d’entreprises agréé*” that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of "*réviseur d'entreprises agréé*" to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of "*réviseur d'entreprises agréé*". However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with Those Charged with Governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence and communicate to them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Luxembourg, 9 April 2025

BDO Audit  
*Cabinet de révision agréé*  
represented by

Frédéric Mosele

## Citadel Value Fund SICAV

### Statement of net assets (in EUR)

as at December 31st 2024

#### Assets

Securities portfolio at market value	32,268,493.57
Cash at banks	4,116,694.44
Income receivable on portfolio	35,779.85
Total assets	36,420,967.86

#### Liabilities

Expenses payable	59,292.09
Total liabilities	59,292.09
Net assets at the end of the period	36,361,675.77

#### Breakdown of net assets per share class

Share class	Number of shares	Currency of share class	NAV per share in currency of share class	Net assets per share class (in EUR)
MP capitalisation	3,540.06	EUR	326.30	1,155,105.85
P capitalisation	30,022.13	EUR	248.16	7,450,172.00
X capitalisation	106,595.17	EUR	260.39	27,756,397.92
				36,361,675.77

The accompanying notes are an integral part of these financial statements.



## Citadel Value Fund SICAV

### Statement of operations and other changes in net assets (in EUR)

from June 1st 2024 to December 31st 2024

#### **Income**

Dividends, net	277,243.56
Bank interest	93,706.43
Total income	370,949.99

#### **Expenses**

Investment management fees	159,773.40
Management Company fees	22,308.92
Depository fees	12,672.57
Banking charges and other fees	9,010.36
Transaction fees	13,694.58
Central administration costs	41,598.85
Professional fees	21,555.42
Other administration costs	4,583.76
Subscription duty ("taxe d'abonnement")	10,692.48
Other expenses	8,558.27
Total expenses	304,448.61

Net investment income	66,501.38
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#### **Net realised gain/(loss)**

- on securities portfolio	-56,940.24
- on foreign exchange	-14,608.62
Realised result	-5,047.48

#### **Net variation of the unrealised gain/(loss)**

- on securities portfolio	-3,128,639.26
Result of operations	-3,133,686.74

Subscriptions	550,306.82
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Redemptions	-956,503.77
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Total changes in net assets	-3,539,883.69
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Total net assets at the beginning of the period	39,901,559.46
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Total net assets at the end of the period	36,361,675.77
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The accompanying notes are an integral part of these financial statements.

## Citadel Value Fund SICAV

### Statistical information (in EUR) as at December 31st 2024

Total net assets	Currency	31.05.2023	31.05.2024	31.12.2024
	EUR	33,526,130.46	39,901,559.46	36,361,675.77

Net asset value per share class	Currency	31.05.2023	31.05.2024	31.12.2024
MP capitalisation	EUR	292.80	352.31	326.30
P capitalisation	EUR	229.30	269.22	248.16
X capitalisation	EUR	238.64	282.49	260.39

Number of shares	outstanding at the beginning of the period	issued	redeemed	outstanding at the end of the period
MP capitalisation	3,214.54	325.52	-	3,540.06
P capitalisation	32,155.41	1,734.09	-3,867.37	30,022.13
X capitalisation	106,595.17	-	-	106,595.17

## Citadel Value Fund SICAV

### Statement of investments and other net assets (in EUR) as at December 31st 2024

Currency	Number / nominal value	Description	Cost	Market value	% of total net assets *
<b><u>Investments in securities</u></b>					
<b><u>Transferable securities admitted to an official stock exchange listing</u></b>					
<b>Shares</b>					
CHF	5,000	Swatch Group AG	980,827.13	878,893.03	2.42
EUR	27,000	Ahold Delhaize NV	269,064.31	850,230.00	2.34
EUR	20,000	Continental AG	1,200,763.58	1,296,400.00	3.56
EUR	30,000	JOST Werke SE	1,267,732.04	1,365,000.00	3.75
EUR	6,200	Kering Reg	1,905,403.84	1,477,150.00	4.06
EUR	105,000	Signify NV	2,581,781.32	2,265,900.00	6.23
EUR	71,984	Sol SpA	718,578.11	2,674,205.60	7.35
			7,943,323.20	9,928,885.60	27.29
HUF	15,000	Zwack Un Liq Ind and Trad Plc	572,052.36	915,265.72	2.52
JPY	74,000	Nichirin Co Ltd Reg	1,044,036.83	1,565,540.66	4.31
JPY	226,600	Pronexus Inc	1,138,422.89	1,850,780.66	5.09
JPY	160,000	Sumco Corp	2,023,876.19	1,162,380.01	3.20
JPY	21,000	Toyota Industries Corp	563,125.16	1,659,099.72	4.56
			4,769,461.07	6,237,801.05	17.16
KRW	53,000	Samsung Electronics Co Ltd Pref	2,497,644.66	1,530,593.65	4.21
NOK	120,000	TGS ASA	1,533,708.75	1,156,806.29	3.18
USD	90,000	American Eagle Outfitters Inc	1,113,349.03	1,448,305.82	3.98
USD	20,000	Brunswick Corp Reg	1,320,729.50	1,248,769.19	3.43
USD	100,000	Nov Inc	1,745,598.66	1,409,402.45	3.88
USD	40,000	Village Super Market Inc A	742,869.93	1,231,392.99	3.39
			4,922,547.12	5,337,870.45	14.68
<b>Total shares</b>			23,219,564.29	25,986,115.79	71.46
<b><u>Transferable securities dealt in on another regulated market</u></b>					
<b>Shares</b>					
GBP	163,500	Dewhurst Plc A Non Voting	420,203.34	1,176,846.85	3.24
GBP	250,000	MPAC Group Plc	511,201.47	1,708,730.93	4.70
<b>Total shares</b>			931,404.81	2,885,577.78	7.94
<b><u>Open-ended investment funds</u></b>					
<b>Tracker funds (UCITS)</b>					
EUR	32,000	JPMorgan ETFs (Ireland) ICAV EUR Ultra-Sh Inc UCITS ETF Dist	3,167,130.25	3,396,800.00	9.34
<b>Total tracker funds (UCITS)</b>			3,167,130.25	3,396,800.00	9.34
<b>Total investments in securities</b>			27,318,099.35	32,268,493.57	88.74
<b><u>Cash at banks</u></b>					
<b>Notification deposits</b>					
EUR	750,000.00	Natixis 2.4000%	750,000.00	750,000.00	2.06
EUR	3,000,000.00	Société Générale SA 2.5000%	3,000,000.00	3,000,000.00	8.25
<b>Total notification deposits</b>			3,750,000.00	3,750,000.00	10.31

\* Minor differences may arise due to rounding in the calculation of percentages.

The accompanying notes are an integral part of these financial statements.

## Citadel Value Fund SICAV

### Statement of investments and other net assets (in EUR) (continued) as at December 31st 2024

Currency	Number / nominal value	Description	Cost	Market value	% of total net assets *
<b>Current accounts at bank</b>			366,694.44	366,694.44	1.01
Total cash at banks			4,116,694.44	4,116,694.44	11.32
Other net assets/(liabilities)				-23,512.24	-0.06
Total				36,361,675.77	100.00

\* Minor differences may arise due to rounding in the calculation of percentages.

The accompanying notes are an integral part of these financial statements.

## Citadel Value Fund SICAV

### Industrial and geographical classification of investments as at December 31st 2024

#### Industrial classification

(in percentage of net assets)

Cyclical consumer goods	29.72 %
Industrials	23.82 %
Investment funds	9.34 %
Non-cyclical consumer goods	8.25 %
Raw materials	7.35 %
Energy	7.06 %
Technologies	3.20 %
Total	<u>88.74 %</u>

#### Geographical classification

(by domicile of the issuer)

(in percentage of net assets)

Japan	17.16 %
United States of America	14.68 %
Ireland	9.34 %
The Netherlands	8.57 %
United Kingdom	7.94 %
Italy	7.35 %
Germany	7.31 %
South Korea	4.21 %
France	4.06 %
Norway	3.18 %
Hungary	2.52 %
Switzerland	2.42 %
Total	<u>88.74 %</u>

## Citadel Value Fund SICAV

### Statement of changes in investments (unaudited)

from June 1st 2024 to December 31st 2024

Currency	Description	Purchases (Number / nominal value)	Sales (Number / nominal value)
<b><u>Shares</u></b>			
EUR	Continental AG	10,000	0
EUR	JOST Werke SE	30,000	0
EUR	Kering Reg	6,200	0
EUR	Signify NV	10,000	0
EUR	Stellantis NV	0	85,000
JPY	Nichirin Co Ltd Reg	9,000	0
JPY	Sumco Corp	55,000	0
KRW	Samsung Electronics Co Ltd Pref	15,000	0
USD	Brunswick Corp Reg	20,000	0
USD	Village Super Market Inc A	0	25,000
<b><u>Tracker funds (UCITS)</u></b>			
EUR	JPMorgan ETFs (Ireland) ICAV EUR Ultra-Sh Inc UCITS ETF Dist	0	1,989

**Note 1 -General information**

Citadel Value Fund SICAV (the "Fund") is a "*Société d'Investissement à Capital Variable*" ("SICAV"), established on January 3<sup>rd</sup> 2002 for an indefinite duration.

The financial year of the Fund runs from June 1<sup>st</sup> to May 31<sup>st</sup>.

An Extraordinary General Meeting of Shareholders held on November 29<sup>th</sup> 2024 has decided to amend the financial year of the Fund from January 1<sup>st</sup> to December 31<sup>st</sup> of each year with effect as of January 1<sup>st</sup> 2025. For the financial year of 2024, the Meeting decided to have a financial period from June 1<sup>st</sup> 2024 to December 31<sup>st</sup> 2024.

The reference currency of the Fund is the Euro (EUR).

The most recent annual report and the most recent semi-annual report, the Articles of Association, the Prospectus and the KID are available at the registered office of the Fund and on its website [www.citadelfund.com](http://www.citadelfund.com). At those places the last three annual reports of the Fund are available.

**Note 2 - Significant accounting policies**

a) Presentation of the financial statements

The financial statements of the Fund are prepared in accordance with the Luxembourg legal and regulatory requirements concerning undertakings for collective investment and with generally accepted accounting principles in Luxembourg.

The financial statements of the Fund have been prepared on a going concern basis.

b) Valuation of assets

The valuation of the investments is based on the following principles:

- 1) Investments (transferable securities and money market instruments) listed on any stock exchange and on any regulated market are valued at the last closing price, unless the price is not representative at the Valuation Date. In the latter case the price will be valued at the probable realization value estimated with care and good faith by the Board of Directors.
- 2) Investments (transferable securities and money market instruments) which are not listed on any stock exchange are valued on the basis of the probable realization value estimated with care and good faith by the Board of Directors.
- 3) The value of any cash on hand or on deposit, bills and demand notes and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued and not yet received is deemed to be the nominal value thereof, unless in any case the same is unlikely to be paid or received in full, in which case the value thereof is arrived at after making such a discount as may be considered appropriate by the Board of Directors in such case to reflect the true value thereof.

The Board of Directors, at its discretion, may permit some other method of valuation to be used if it considers that such valuation better reflects the fair value of any asset of the Fund.

c) Acquisition cost of securities in the portfolio

The acquisition cost of the securities held by the Fund that are denominated in currencies other than the reference currency of the Fund is converted into this currency at the exchange rate prevailing on the date of purchase.

**d) Net realised gain / (loss) on securities portfolio**

The realised gains and losses on securities portfolio are calculated on the basis of the average acquisition cost and are disclosed net in the statement of operations and other changes in net assets.

**e) Investment income**

Dividend income is recorded at the "ex-date", net of any withholding tax.

**f) Conversion of foreign currencies**

Cash at banks, other net assets, liabilities and the market value of the securities in the portfolio expressed in currencies other than the reference currency of the Fund are converted into this currency at the exchange rate prevailing on the date of the financial statements. Income and expenses expressed in currencies other than the reference currency of the Fund are converted into this currency at the exchange rate prevailing on the date of the transaction. Net realised gains or losses on foreign exchange are disclosed in the statement of operations and other changes in net assets.

At the date of the financial statements, the exchange rates are the following:

1	EUR	=	0.9386808	CHF	Swiss Franc
			0.8266369	GBP	Pound Sterling
			411.3559498	HUF	Hungarian Forint
			162.8383131	JPY	Japanese Yen
			1,530.5172643	KRW	South Korean Won
			11.7634215	NOK	Norwegian Krona
			1.0359000	USD	US Dollar

**g) Transaction fees**

Transaction costs disclosed under the item "Transaction fees" in the statement of operations and other changes in net assets are mainly composed of broker fees incurred by the Fund relating to purchases or sales of securities and of fees relating to transactions paid to the depositary.

**Note 3 - Investment management fees**

Pure Capital S.A., the Investment Manager, is entitled to an investment management fee, calculated monthly, payable at the end of each month and based on the net assets of the Fund as at the last monthly Valuation Date at a rate of 0.75 % p.a., with a minimum of EUR 15,000.- p.a.. The net assets pertaining to the Class "MP" shares will not be included in this calculation as they are not subject to the investment management fee.

The Investment Manager appointed as its investment advisor D&F Financial Services B.V. for an indefinite period pursuant to an Investment Advisory Agreement signed on January 1<sup>st</sup> 2022; the Investment Advisor may, subject to approval of the Investment Manager, sub-delegate its powers.

The remuneration of the Investment Advisor is included in the remuneration of the Investment Manager.

The Investment Advisor provides assistance and advice to the Investment Manager regarding investment decisions.



**Note 4 - Management Company fees**

For the general services of the Management Company (which do not include the fees in respect of services of the investment management, registrar and transfer agency and central administration), the Management Company is entitled to a maximum fee amounting to 0.06 % calculated on the basis of the Net Asset Value of the Fund, with an annual minimum of EUR 5,000.- payable out of the assets of the Fund. The net assets pertaining to the Class "MP" shares will not be included in this calculation as they are not subject to the management company fee.

**Note 5 - Incentive fees**

The Investment Manager is entitled to an incentive fee equal to 20% in case of the "P" share Class and to 10% in case of the "X" share Class of the Excess Return (as defined below), if any, achieved by the Fund, which is calculated and payable annually at the end of each financial year. The net assets pertaining to the Class "MP" shares are not included in this calculation as they are not subject to the incentive fee.

The following conditions will apply for the calculation of the incentive fee:

The Excess Return in any year shall be calculated by deducting the High Water Mark, after it has been increased with the Hurdle Rate as defined below, from the last net asset value per share of the current financial year (adjusted for incentive fee provision and including accrual of crystallised incentive fees) and adjusting for subscriptions, redemptions and dividends, if any. The adjustment mechanism for subscriptions and redemptions is specifically designed to ensure that increases resulting from new subscriptions are not resulting in an artificial increase of the calculated Excess Return.

The Hurdle Rate has been set at a rate of 4% annualised during the first year following the High Water Mark.

The incentive fee will be subject to the following 2 restrictions:

- 1) There will be no incentive fee if the Excess Return so defined is 0 or negative.
- 2) A High Water Mark restriction: There will be no incentive fee, if the last net asset value per share (adjusted for incentive fee provision and including accrual of crystallised incentive fees) is lower than the net asset value per share (after accrual of the incentive fee) as of the end of any of the five (5) financial years preceding the current financial year (the "**Performance Reference Period**"). The High Water Mark is therefore defined as the highest net asset value per share at the end of any of the financial years during the Performance Reference Period. For the avoidance of doubt, no incentive fee will accrue for the part of the Fund's performance that is below the High Water Mark during the Performance Reference Period.

For the purpose of calculating the net asset value per share as of any Valuation Date, the incentive fee (if applicable) will be expensed and provisioned. On each Valuation Date, the incentive fee will be recalculated, based on the actual Excess Return, if any, on that Valuation Date. The Fund will pay out an incentive fee, if any, to the Investment Manager, only once a year after the end of each fiscal year based on the Excess return, if any, as per the date of the fiscal year end.

In case of a redemption at a net asset value per share that includes an incentive fee provision, the pro rata part of that incentive fee will be carried forward as a crystallised incentive fee until the fiscal year end and will be paid to the Investment Manager after the fiscal year end.

The Fund pays a portion of the incentive fees to the Investment Advisor (50%).

At the date of the financial statements, no incentive fee was recorded.

**Note 6 - Subscription tax ("Taxe d'abonnement")**

In accordance with current law and practice in Luxembourg, the Fund is not subject to Luxembourg corporate tax. Nor are dividends that are paid by the Fund subject to any Luxembourg withholding tax. However, the Fund is subject in Luxembourg to a registration tax of 0.05% per annum with regard to the "Class P", "Class X" and "Class MP" shares that is payable quarterly in arrears on the basis of the value of the aggregate net assets of the Fund at the end of the relevant calendar quarter. No stamp duty or other tax is payable in Luxembourg on the issue of new shares, except for the payment of an initial capital tax of EUR 1,250.00 that was paid at the incorporation of the Fund.

**Note 7 - Depositary fees and Central administration costs**

The Board of Directors appointed Pure Capital S.A., the management company, as its administrative agent and domiciliary agent as well as registrar and transfer agent.

Pure Capital S.A. delegated the tasks of the Administrative Agent, Registrar and Transfer Agent of the Fund, exclusively to UI efa S.A..

The Fund has appointed Quintet Private Bank (Europe) S.A. as Depositary of the assets of the Fund pursuant to a depositary agreement with effective date as of March 31<sup>st</sup> 2016.

Central administration costs and depositary fees are based on annual rates as defined in the respective contracts.

**Note 8 - Directors' fee**

The members of the Board of Directors may be entitled to a directors' fee, to be approved by the general assembly of Shareholders, as well as reimbursements of expenses incurred by them in the conduct of their duties.

The Directors' fees are recorded under the caption "Other expenses" in the statement of operations and other changes in net assets.

At the date of the report, the Directors' fee incurred by the Fund amounted to EUR 8,558.27 (the net amount is EUR 6,846.62 and EUR 1,711.65 is the 20% WHT).

**Note 9 - Subscription and redemption fees**

No subscription and no redemption fees are payable.

Shares redeemed have no voting rights and do not participate in dividends, if applicable, or other distributions.

**Note 10 - Liquidity Risk Management**

The Fund invests according to a deep value strategy, suitable for investors with an investment horizon of at least three to five years. The Fund may invest in the shares of small and medium-sized companies, which may be less liquid and more volatile than securities of larger companies. The Management Company deploys a risk management system based on a Liquidity Policy. As at December 31<sup>st</sup> 2024, 21.10% of total net assets is considered illiquid according to the methodology implemented by the Risk Management Department of the Management Company.

**Note 11 - Ukraine-Russia conflict**

The Russian Federation invaded Ukraine on February 24<sup>th</sup> 2022 and has caused considerable disruption to the global economy and more particularly to those companies and countries with significant exposure to those countries. As of the date of this report, the Fund has received confirmation that firstly that there are no sanctioned investors or investors closely associated with sanctioned entities or persons in the Fund, and secondly that none of the Fund's investments have any significant exposure to Russia or Ukraine. Consequently, the invasion had a limited impact on the performance of the Fund's investments. The situation is being monitored on an ongoing basis.

**Note 12 - Middle East**

During early October 2023, the Middle East has entered a phase of instability following the assault on Israel by Hamas terrorists from Gaza. This led to Israel's declaration of war on Hamas and the ongoing armed conflict in Israel and the Gaza Strip (the "War").

The Board of Directors is closely monitoring the effects of the War and has assessed that the War does not directly impact the Fund's financial statements as at December 31<sup>st</sup> 2024.

**Note 13 - Events during the current year**

The Board has decided to change the financial year-end of the Fund from May 31<sup>st</sup> to December 31<sup>st</sup> for marketing communication and reporting reasons, and to better align with industry practice. An Extraordinary General Meeting held on November 29<sup>th</sup> 2024 has decided to amend the financial year of the Fund from January 1<sup>st</sup> to December 31<sup>st</sup> of each year with effect as January 1<sup>st</sup> 2025. For the financial year of 2024, the Meeting decided to have a financial period from June 1<sup>st</sup> 2024 to December 31<sup>st</sup> 2024.

**Note 14 - Subsequent events**

No significant subsequent event occurred after the end of the accounting period from June 1<sup>st</sup> 2024 to December 31<sup>st</sup> 2024.

## Citadel Value Fund SICAV

### Additional information (unaudited)

as at December 31st 2024

#### 1 - Risk management

As required by Circular CSSF 11/512 as amended, the Board of Directors of the Fund needs to determine the global risk exposure of the Fund by applying either the commitment approach or the VaR ("Value at Risk") approach.

In terms of risk management, the Board of Directors of the Fund decided to adopt the commitment approach as a method of determining the global exposure.

#### 2 - Remuneration

	Number of Beneficiaries	Total remuneration paid in 2024	Fixed remuneration paid in 2024	Variable remuneration paid in 2024	Amount paid directly by the UCITS itself to the Management Company (including management company fees; performance fees; domiciliation fees and hedging fees)
Total remuneration paid by the Management Company and by the Investment Company during the financial year to executives and senior management	6	4,279,394.11 €	3,272,894.11 €	1,006,500.00 €	276,778.94 €
Total remuneration paid by the Management Company and by the Investment Company during the financial year to other staff	25	2,446,887.33 €	1,987,037.43 €	459,849.90 €	

#### 3 - Information concerning the transparency of securities financing transactions and of reuse of cash collateral (regulation EU 2015/2365, hereafter "SFTR")

During the reporting period, the Fund did not engage in transactions which are subject to the publication requirements of SFTR. Accordingly, no information concerning the transparency of securities financing transactions and of reuse of cash collateral should be reported.

#### 4 - Information related to the EU Regulations 2019/2088 of the European Parliament and of the Council of 27th November 2019 on sustainability - related disclosures in the financial services sector (hereafter "SFDR") as amended and as complemented by regulatory technical standards (RTS)

In accordance with these Regulations, the Fund is categorised under SFDR Article 6.

The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.