

**Annual report including audited financial statements  
as at May 31st 2022**

# **Citadel Value Fund SICAV**

Société d'Investissement à Capital Variable  
Luxembourg

R.C.S. Luxembourg B85320

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**Citadel Value Fund SICAV**

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# Citadel Value Fund SICAV

## Organisation

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### Registered office

2, rue d'Arlon  
L-8399 WINDHOF  
(since January 1st 2022)

88, Grand-Rue  
L-1660 LUXEMBOURG  
(until December 31st 2021)

### Board of Directors

#### *Directors*

Bas SCHREUDERS

9, Meescheck  
L-6834 BIWER

Jos ROTTEVEEL

26, Chemin JA Zinnen  
L-7626 LAROCLETTE

Marleen WATTE-BOLLEN

117, Val des Bons Malades  
L-2121 LUXEMBOURG

### Management Company

PURE CAPITAL S.A.  
2, rue d'Arlon  
L-8399 Windhof  
(since January 1st 2022)

### Board of Directors of the Management Company

Loïc DE CANNIERE  
Bernard PONS  
Guy POURVEUR

### Conducting officers of the Management Company

Rudy HOYLAERTS  
Bernard PONS  
Patrick VANDER EECKEN  
Thierry LEONARD  
Frédéric VENDITTI

### Management Company

KREDIETRUST LUXEMBOURG S.A.  
88, Grand-Rue  
L-1660 LUXEMBOURG  
(until December 31st 2021)

### Investment Manager

PURE CAPITAL S.A.  
2, rue d'Arlon  
L-8399 Windhof  
(since January 1st 2022)

## Citadel Value Fund SICAV

### Organisation (continued)

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	ANDREAS CAPITAL S.A. One on One building 1, route d'Esch L-1470 LUXEMBOURG (until December 31st 2021)
<b>Investment Advisor to the Investment Manager</b>	D&F FINANCIAL SERVICES B.V. Van Hengellaan 2, NL-1217 AS HILVERSUM
<b>Depositary and principal paying agent</b>	QUINTET PRIVATE BANK (EUROPE) S.A. 43, boulevard Royal L-2449 LUXEMBOURG
<b>Domiciliary, agent</b>	PURE CAPITAL S.A. 2, rue d'Arlon L-8399 Windhof (since January 1st 2022)
	KREDIETRUST LUXEMBOURG S.A. 88, Grand-Rue L-1660 LUXEMBOURG (until December 31st 2021)
<b>Delegated administrator, registrar and transfer agent</b>	EUROPEAN FUND ADMINISTRATION S.A. 2, rue d'Alsace L-1122 LUXEMBOURG
<b>Réviseur d'entreprises agréé</b>	BDO Audit S.A. 1, rue Jean Piret L-2350 LUXEMBOURG

# Citadel Value Fund SICAV

## Report on activities of the Board of Directors

Dear shareholder,

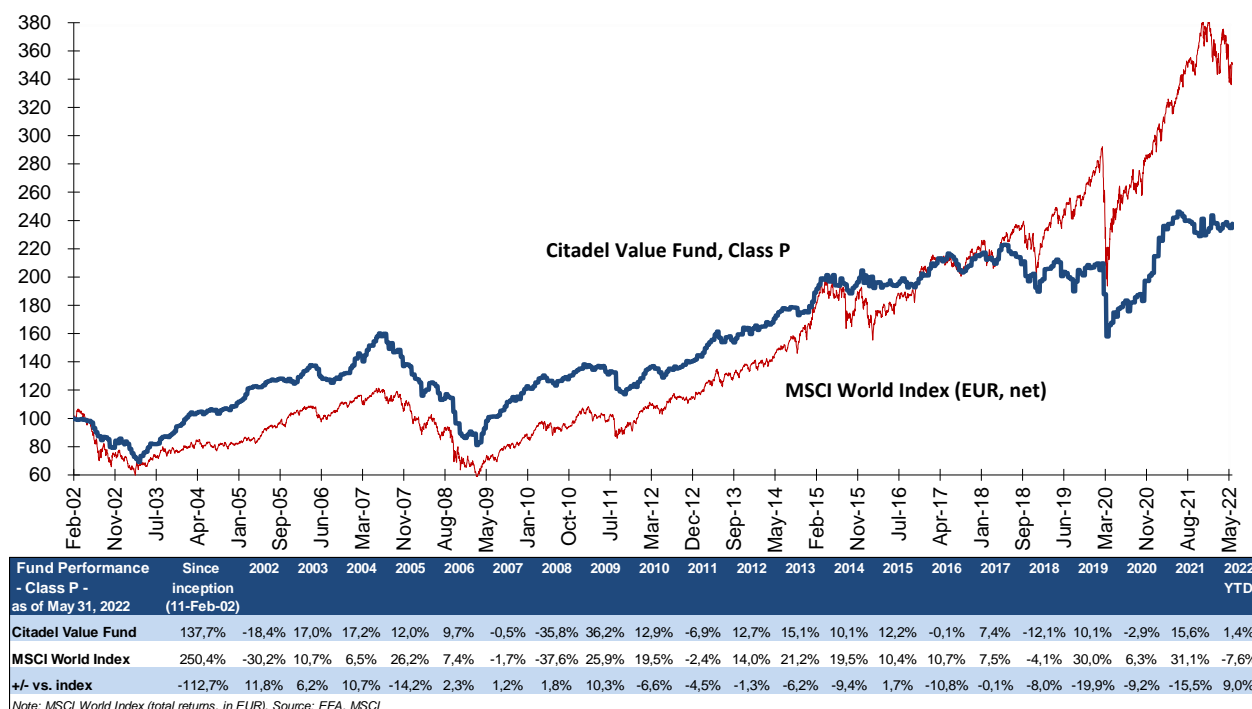
In excitement but with patience, we are keenly observing the current market turmoil. This may sound awkward to the mainstream investor, but we hope it sounds logical to long-time followers of Citadel Value Fund Sicav's (the "Fund" or "Citadel") deep-value investment philosophy. Remarkably, many investment funds buy more shares when share prices go up and valuations get richer, in anticipation of even higher prices. This basically is the anatomy of a bull market. At Citadel on the other hand, we are excited to watch markets go down as this creates new investment opportunities. Lower valuations help us to achieve the two most important goals in investing: it lowers the risk of an investment, and it increases the expected return. We believe that a healthy market correction was long overdue. It is the sequel to what we wrote in our November 2021 shareholder letter:

*Increased inflation and almost full employment could be a trigger for less accommodative central bank policies. When the situation of almost free money would come to an end, valuations will start to matter again. While value investing has proven to be a good strategy during uncertain times, a deep value strategy works even better when valuation regains its importance as a guide for future returns.*

Amidst today's market turmoil, we are pleased to report a calendar year-to-date return per May 31<sup>st</sup>, 2022, of +1.4% for Citadel's class P shares and a +138% return since inception. While the Fund's portfolio is certainly not immune to macro-economic pressure (more of which is likely to hit markets), the deep value strategy has supported the Fund's main goal of capital preservation. Knowing the Fund's fair value, we still sleep well at night while many of the main equity markets are down by double digits. The MSCI World Index (net returns, in EUR) is down -7.6% as per May 31<sup>st</sup>, 2022.

### Citadel Value Fund

Class P performance since inception May 31st, 2022



### Return to healthier financial markets – a bumpy ride but a good thing for Citadel

On many previous occasions, we shared our view that financial markets had arrived in a “bubble” phase, artificially stimulated by highly accommodating central bank- and fiscal policies. The stock market had become quite expensive by any historical measure as there was no alternative for investors to put their money into. One of the consequences was that for a value investor like Citadel, it was hard to find new investment opportunities at the right price, or stated differently, opportunities that would offer a sufficient “margin of safety”. Of course, this

excludes the short Covid-19 driven period of buying opportunities in March-April 2020, from which the Fund and its shareholders clearly profited.

Bubbles have the common characteristic that one cannot predict when they will burst; certainly not if one of the drivers is monetary policy. This time the market's tipping point was the policy makers' (overdue) acceptance that inflation had become too high to ignore, and their subsequent slow turn towards monetary tightening. Based on many financial parameters and discussions with corporate management teams, it is clear to us that lower GDP growth, probably even negative growth, will be the mechanism through which the overheated economy will find a new equilibrium.

So, what could this process look like? Well, valuation multiples of stocks that were clearly inflated, are coming down, a process now ongoing already for roughly 6 months. The highest multiple stocks in the market have been hit the hardest, which is illustrated by the NASDAQ Technology index being down -23% as per May 31<sup>st</sup>, 2022, while the Dow Jones Industrial index is down "only" 9%. We anticipate the next step to be downward revisions of companies' earnings expectations. This is inevitable due to the simple economic principle of lower consumer confidence trickling down the economic value chain. The consumer can buy less products because inflation is eating into purchasing power. Next to this, the bursting of the financial markets bubble (particularly the highly valued technology stocks, crypto currencies and the like) will have a negative wealth effect and hence an additional impact on consumers' willingness to spend money. Producers will then react by lowering orders and investments; further erosion of producer confidence is caused by higher interest rates. We could imagine that the slowdown will be quite fierce as the comparison base of many economic segments is very high – fuelled by almost interest-free money and covid related fiscal stimulus. The only possible safety valve would be government spending, but over-indebtedness and rapidly rising public financing costs doesn't make this a realistic solution. This process of economic normalisation can be painful for consumers, for companies and for investors. But we believe it is a healthy development, and we are convinced that it can offer great opportunities for Citadel to sow the seeds for future Fund performance.

Currently we gauge that the stock market is not yet reflecting materially lower earnings expectations. We expect this adjustment process to continue in the coming period as evidence of slower demand is mounting. For Citadel, this will be an exciting time to be extremely attentive to new investment opportunities that could emerge if stock market prices will come down further. While short-term market fluctuations are unpredictable, well-prepared investors can profit from market volatility over the longer term.

The ride could get bumpy but the Fund's low-risk approach to investing helps us to continue sleeping well at night. We know that the Fund's carefully selected holdings can withstand economic hard times, some of them will even emerge stronger, and are expected to generate a solid return in the long run. Of course, the margin-of-safety embedded in Citadel's current portfolio is the important element supporting this. As per May 31<sup>st</sup>, 2022, the portfolio was trading at a discount of over 40% to its estimated intrinsic value, which equalled € 398 per class P share compared to the NAV of € 237.69. This valuation difference not only provides a significant cushion against unexpected events but also serves as a sound basis for future performance.

#### *Performance supported by exposure to the energy sector*

So far this financial year, most of Citadel's holdings remained relatively steady or even made a positive contribution to the Fund's performance. The companies in the energy sector, **TGS** (seismic data) and **NOV** (oil & gas field equipment), have been in the limelight for obvious reasons, and both were among the Fund's strongest performers as they are emerging from a difficult period. As NOV's CEO pointed out during a recent investor conference call, almost every input in the energy industry is constrained: capital, labour, raw materials and many years of pipeline underdevelopment. On top of that, significant hurdles have been put in place by politicians and regulators and now geopolitical stress was added to this cocktail as well. With energy shortages looming, a U-turn is being made and the oil & gas industry is suddenly requested to scale up as fast as possible. For NOV and TGS it is a reversal of fortunes.

## Citadel Value Fund SICAV

### Report on activities of the Board of Directors (continued)

Most significant performance contributors & detractors					
January 1st 2022 to May 31st 2022					
Holding	Contribution	Absolute return	Holding	Contribution	Absolute return
TGS	2,6%	85,6%	American Eagle Outfitters	-3,3%	-46,3%
NOV	2,5%	56,9%	Continental	-0,8%	-21,8%
Bed Bath & Beyond	2,4%	128,6%	Toyota Industries Corp.	-0,7%	-13,4%
Boskalis	1,2%	28,3%	MPAC Group	-0,7%	-17,8%
Dewhurst PLC -A-	0,8%	11,6%	Samsung Electronics -Pref-	-0,6%	-12,5%

Note: Returns are in € and include dividends

**Bed Bath & Beyond** (BBBY, a US general merchandise retailer) is again on the Fund's list of strong performers. After reducing the position last year at an attractive share price, a brief market opportunity appeared in March 2022 to sell the Fund's remaining position at roughly twice the purchase price. All in all, BBBY has been a very profitable investment for Citadel, and an interesting show case of price volatility offering great value opportunities.

The most striking portfolio news was the public offer for **Boskalis Westminster** (maritime services) made by its long-time shareholder HAL Investments. The bid of EUR 32 (ex-dividend) is more than double the price at which the Fund purchased its holding two years ago. Still, we believe the shares are worth a good deal more. The bid does not seem to properly reflect the company's multi-year growth outlook based on a record order book in dredging and bright prospects in offshore energy. Interestingly, Boskalis management shares this view and does not recommend the current offer price. However, with HAL already possessing slightly over 50% of the shares outstanding, Boskalis' fate as a publicly listed company will depend on the minority shareholders' (un)willingness to tender their shares.

**American Eagle Outfitters** (AEO, a US apparel retailer) was the only significant detractor of the Fund's financial year-to-date performance. Several factors simultaneously impacting the business are expected to pressure apparel sales this year: a combination of demand shifting from products to services, from leisure clothing to dressier clothing, but also inflation related pressure. At the same time, production and logistics lead times have become much longer, which adds another layer of complexity as this requires demand trends to be forecasted farther in advance. While management has been quick to adjust its plans, margin pressure is inevitable relative to the company's record results last year. The company has remained profitable, though, and has a strong balance sheet to weather these temporary challenges. At the current valuation, we believe AEO shares are outright cheap, which is the reason why we took advantage of the low stock price by adding to the existing position.

#### Limited changes to the portfolio – awaiting market opportunities to unfold

In the first five months of 2022, Citadel has made just a few changes to its portfolio and did not add a new name. A lot of work is being done on the growing list of potential investment opportunities – but as we have always done for the past 20 years, we wait with patience for Mr. Market to present us the right price, the right margin-of-safety.

Already highlighted in our previous shareholder letter, we are quite excited about last fall's new addition to the portfolio, namely **Vitesco Technologies**, formerly known as the Powertrain division of parent company Continental. Vitesco is one of the two main players for automotive electrification technology in Europe. Nine out of the ten largest battery electric vehicle manufacturers are supplied with Vitesco's power electronics, control technology, electric drive axles or thermal management systems. Amid the rapidly changing automotive landscape, Vitesco is executing a turn-around to enhance cost efficiency and to expand the product range. Its order book of over €50bn covers the sales projections for the coming 6 to 8 years and should support a strong margin improvement. Citadel was able to purchase a position at what we believe to be a fraction of Vitesco's intrinsic value. During the recent volatile months, we added more to the initial position at even lower prices, and Vitesco has now become a top-5 holding.

Next to adding Vitesco and AEO, we exited the remaining position in BBBY as mentioned above.



## Citadel Value Fund SICAV

### Report on activities of the Board of Directors (continued)

Changes in the Portfolio January 1st 2022 to May 31st 2022	
Holdings bought or added to	Holdings reduced or sold
American Eagle Outfitters	Bed Bath & Beyond
Vitesco	Signify

In February 2022, after **Signify** (lighting products & services) announced strong FY2021 results, we reduced the weighting of the Fund's position. Signify has been a very profitable investment for Citadel. In fact, it combines three very strong reasons for owning a stock: 1) the opportunity to purchase it at a low valuation; 2) a highly cash flow generative business with a defensible and dominant market position; 3) strong management that is continuously adapting the business in a changing environment. We still believe that there is material upside potential for the stock, however, it made sense to trim the position after strong share price performance had spurred a significant overweighting of Signify in the Fund's portfolio.

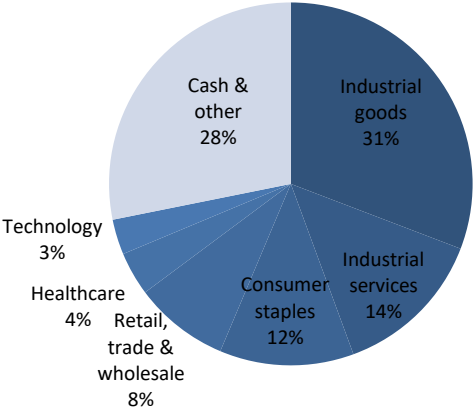
#### Portfolio summary – solid with room for new opportunities

As per May 31<sup>st</sup>, 2022, the portfolio consists of holdings in 21 companies. The portfolio top-5 consists of three European companies, one US and one Asian business. Companies listed in Europe represent 43% of the Fund's NAV. The Fund's exposure to Asia (Japan and South Korea) is around 15%. The exposure of Citadel to the US equity market is 14%. The Fund's net cash balance per May 31<sup>st</sup>, 2022, amounted to 28% of NAV, a little higher than on November 30<sup>th</sup>, 2021. This percentage provides ample room to take advantage of new investment opportunities amid a volatile market.

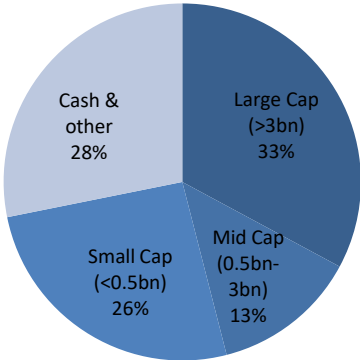
Portfolio Holdings as of 31 May 2022		
Company	Activity	% of NAV
Dewhurst -A-	industrial goods (elevator fixtures & controls)	6,1%
National Oilwell Varco	industrial goods (oil field equipment & services)	5,4%
Pronexus	business services (financial documentation & IR services)	5,2%
Vitesco	industrial goods (automotive components)	5,0%
TGS	industrial services (seismic data)	4,2%
Boskalis	industrial services (maritime services)	4,2%
Village Super Market -A-	retail (supermarkets)	4,1%
Signify	industrial goods (lighting)	4,1%
SOL Group	healthcare & industrial (homecare, medical & technical gases)	3,9%
Toyota Industries	industrial goods (Toyota, forklifts, engines, cars & parts)	3,6%
Swatch Group	retail (luxury watches & jewelry)	3,4%
Berentzen Gruppe	consumer goods (spirits & beverages)	3,2%
Samsung Electronics -Pref-	technology (semiconductors & consumer electronics)	3,1%
American Eagle Outfitters	retail (apparel)	2,9%
MPAC Group	industrial goods (packaging machinery)	2,5%
Booking Holdings	retail (online travel & leisure)	2,1%
Nichirin	industrial goods (automotive components)	2,1%
Continental	industrial goods (tires & automotive components)	2,0%
Ahold Delhaize	retail (supermarkets)	2,0%
Zwack Unicum	consumer goods (spirits)	1,9%
Nongshim Holdings	holding co. (Nongshim, packaging, food ingredients)	0,7%
Cash and other assets & liabilities		<u>28,2%</u>
		100,0%

We are confident Citadel's portfolio is in good shape to thrive in various future scenarios. It consists of great businesses, purchased at significant margins of safety relative to their respective intrinsic values. At a look-through valuation of just above 4x operating earnings and at an 8% free cash flow yield, Citadel's portfolio is attractively valued. This is not only true on an absolute basis but definitively also on a relative basis, with the MSCI World index still trading at a quite expensive level of 12x operating earnings (although it came down from 15x just 6 months ago).

**Portfolio by Sector**



**Portfolio by market capitalisation**



Citadel’s portfolio has historically had a bias towards small caps, as this is a place where value opportunities often can be found. The small cap segment currently represents 26% of the Fund’s portfolio, which is down modestly compared to 29% as of November 30<sup>th</sup>, 2021, the Fund’s fiscal half year end. Per May 31<sup>st</sup>, 2022 large caps represent the largest part of the portfolio by market capitalisation (33%). Industrial goods, consumer staples and industrial services are the three largest industry sectors represented in the portfolio. To illustrate the attractiveness of a small cap consumer stock, we would like to share some thoughts about **Zwack Unicum** in the next section.

*Zwack Unicum – small position of high spirits*

**Zwack Unicum**, a long-time holding of Citadel, is the producer of several leading spirits brands in Hungary. Namesake brand *Unicum* has already been brewed by the Zwack family since 1790, originally as a digestive for the royal family of the Austria-Hungary empire. Next to Unicum, 50% family owned Zwack produces a dozen other premium spirits. In addition, it has the exclusive distribution rights to Diageo’s family of branded spirits for Hungary. In return, Diageo holds a strategic 26% stake in Zwack. Citadel is one of the few institutional holders sharing the remaining free float.

Enabled by its solid brand positions, Zwack is a remarkably stable, well-run company. Last year’s results were fueled by a post-covid recovery, reaching record sales and a free cash flow amounting to roughly 20% of those record sales. For investors, the beauty of it is that the company usually pays out its entire free cash flow as dividend. As the share currently trades at an 8% FCF yield, this also equals the cash dividend yield (with Hungary having no dividend withholding tax). The strong cash flows and pay-out policy enabled Citadel to already recoup 160%

## Citadel Value Fund SICAV

### Report on activities of the Board of Directors (continued)

of its original investment solely through dividends, quite an astounding fact. In addition to that, the current share price is 90% higher relative to the Fund's original purchase price. With these characteristics, Zwack Unicum's solid business with steady high returns serves as a great example for the Fund's investment selection.

#### Miscellaneous

##### **COVID-19**

As of the date of this Report, COVID-19 pandemic has had a negative impact on the economy and business activity globally (including in the countries in which the Fund invests), and is therefore expected to adversely affect, to varying degrees, the performance of some of the investments of the Fund. This is reflected in the Net Asset Values of the Fund. It is not possible to rule out the rapid development of new epidemics or pandemics or to predict any ultimate adverse impact on global economic and market conditions, and this may present material uncertainty and risk with respect to some of the investments and the performance of these investments. The Fund's services operations were not severely disrupted by COVID-19 until now.

##### **Situation in Ukraine**

The Russian Federation invaded Ukraine on 24 February 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 today's date, the Board of Directors of the Fund has assessed the direct exposure of the Fund to Russia or Ukraine to be limited. So far, the performance of the investments of the Fund were not severely impacted by this invasion. The board of directors is closely monitoring the financial markets and economic turbulence that has arisen as a consequence of the situation and the related international sanctions, and its impact on the Fund. Additionally, no sanctioned investors have been identified by the Fund.

##### **Sustainable Finance Disclosure Regulation**

The approach to sustainable finance may evolve and develop over time, both due to a refinement of investment decision-making processes to address ESG factors and risks, and because of legal and regulatory developments. Article 7 of Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainability investment (the "Taxonomy Regulation") applies to the Fund. The investments underlying this financial product do not consider the EU criteria for environmentally sustainability economic activities. The Fund can therefore qualify as a financial product under Article 6 of the SFDR.

#### In conclusion

This year's February 11<sup>th</sup> 2022, marked Citadel's 20<sup>th</sup> anniversary. From the outset, the Fund has consistently applied its distinctive value investment strategy, setting itself apart from many other funds. After 20 years of true dedication to value investing, building a consistent track record and surviving moments of severe financial market stress, the Fund continues to focus on capital preservation and risk reduction while generating good long-term returns. In these tempestuous times, even as macro-economic challenges are overshadowed by the horrifying events of war in Europe, we wish to express our gratitude for your continued loyalty.

Luxembourg, September 26th 2022  
**Citadel Value Fund SICAV**

The Board of Directors

Note: 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 May 2022, and the statement of operations and other changes in net assets for the year then ended, 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 May 2022, and of the results of its operations and changes in its net assets for the year then ended 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, 26 September 2022

BDO Audit  
*Cabinet de révision agréé*  
represented by



Frédéric Mosele

## Citadel Value Fund SICAV

### Statement of net assets (in EUR)

as at May 31st 2022

#### Assets

Securities portfolio at market value	25,046,910.85
Cash at banks	9,825,614.20
Income receivable on portfolio	36,085.20
Prepaid expenses	11,529.10
Total assets	34,920,139.35

#### Liabilities

Bank overdrafts	3.02
Bank interest payable	5,472.82
Expenses payable	47,195.86
Total liabilities	52,671.70

Net assets at the end of the year	34,867,467.65
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#### 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	3,129.72	EUR	301.07	942,275.26
P capitalisation	31,791.74	EUR	237.69	7,556,471.21
X capitalisation	106,595.17	EUR	247.37	26,368,721.18
				34,867,467.65

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 2021 to May 31st 2022

<b>Income</b>	
Dividends, net	492,525.18
Total income	492,525.18
<b>Expenses</b>	
Investment management fees	253,375.33
Management Company fees	26,867.52
Incentive fees	14.99
Depository fees	19,990.41
Banking charges and other fees	12,654.96
Transaction fees	10,480.78
Central administration costs	43,102.97
Professional fees	20,218.50
Other administration costs	10,081.16
Subscription duty ("taxe d'abonnement")	17,082.71
Bank interest paid	27,261.89
Interest paid on bank deposits	14,723.83
Other expenses	44,267.82
Total expenses	500,122.87
Net investment loss	-7,597.69
<b>Net realised gain/(loss)</b>	
- on securities portfolio	2,358,313.49
- on foreign exchange	-10,537.56
Realised result	2,340,178.24
<b>Net variation of the unrealised gain/(loss)</b>	
- on securities portfolio	-2,977,557.49
Result of operations	-637,379.25
Subscriptions	1,657,440.91
Redemptions	-711,524.48
Total changes in net assets	308,537.18
Total net assets at the beginning of the year	34,558,930.47
Total net assets at the end of the year	34,867,467.65

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



## Citadel Value Fund SICAV

### Statistical information (in EUR)

as at May 31st 2022

Total net assets	Currency	31.05.2020	31.05.2021	31.05.2022
	EUR	24,737,334.11	34,558,930.47	34,867,467.65

Net asset value per share class	Currency	31.05.2020	31.05.2021	31.05.2022
MP capitalisation	EUR	220.93	304.42	301.07
P capitalisation	EUR	177.51	242.18	237.69
X capitalisation	EUR	185.40	252.05	247.37

Number of shares	outstanding at the beginning of the year	issued	redeemed	outstanding at the end of the year
MP capitalisation	3,129.72	-	-	3,129.72
P capitalisation	29,085.44	5,743.72	-3,037.42	31,791.74
X capitalisation	105,384.13	1,211.04	-	106,595.17

## Citadel Value Fund SICAV

### Statement of investments and other net assets (in EUR) as at May 31st 2022

Currency	Number / nominal value	Description	Cost	Market value	% of total net assets *
<b>Investments in securities</b>					
<b>Transferable securities admitted to an official stock exchange listing</b>					
<b>Shares</b>					
CHF	5,000	Swatch Group AG	980,827.13	1,199,496.51	3.44
EUR	168,569	Berentzen-Gruppe AG	1,381,814.48	1,115,926.78	3.20
EUR	10,000	Continental AG	615,829.70	712,800.00	2.04
EUR	27,000	Koninklijke Ahold Delhaize NV	269,064.31	694,035.00	1.99
EUR	45,000	Koninklijke Boskalis Westminster NV	690,000.00	1,460,700.00	4.19
EUR	38,000	Signify NV	830,064.16	1,412,840.00	4.05
EUR	71,984	Sol SpA	718,578.11	1,356,178.56	3.89
EUR	40,000	Vitesco Tec Gr Aktiengesellsch	1,763,999.73	1,760,000.00	5.05
			6,269,350.49	8,512,480.34	24.41
HUF	15,000	Zwack Un Liq Ind and Trad Plc	572,052.36	668,934.11	1.92
JPY	65,000	Nichirin Co Ltd Reg	853,103.18	724,594.53	2.08
JPY	226,600	Pronexus Inc	1,138,422.89	1,809,018.76	5.19
JPY	21,000	Toyota Industries Corp	563,125.16	1,264,992.26	3.63
			2,554,651.23	3,798,605.55	10.90
KRW	4,500	Nong Shim Holdings Co Ltd	236,578.03	245,107.79	0.70
KRW	24,000	Samsung Electronics Co Ltd Pref	1,331,388.17	1,095,988.41	3.14
			1,567,966.20	1,341,096.20	3.84
NOK	95,000	TGS ASA	1,293,887.68	1,468,122.48	4.21
USD	90,000	American Eagle Outfitters Inc	1,113,349.03	1,017,267.13	2.92
USD	350	Booking Holdings Inc Reg	396,663.50	732,915.81	2.10
USD	100,000	Nov Inc	1,745,598.66	1,866,716.45	5.35
USD	65,000	Village Super Market Inc A	1,207,163.63	1,440,265.07	4.13
			4,462,774.82	5,057,164.46	14.50
<b>Total shares</b>			17,701,509.91	22,045,899.65	63.22
<b>Transferable securities dealt in on another regulated market</b>					
<b>Shares</b>					
GBP	248,500	Dewhurst Plc A Non Voting	638,657.67	2,134,226.27	6.12
GBP	175,000	MPAC Group Plc	301,316.50	866,784.93	2.49
<b>Total shares</b>			939,974.17	3,001,011.20	8.61
<b>Total investments in securities</b>			18,641,484.08	25,046,910.85	71.83
<b>Cash at banks</b>				9,825,614.20	28.18
<b>Bank overdrafts</b>				-3.02	0.00
<b>Other net assets/(liabilities)</b>				-5,054.38	-0.01
<b>Total</b>				34,867,467.65	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 May 31st 2022

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#### Industrial classification

(in percentage of net assets)

Industrials	25.67 %
Cyclical consumer goods	20.77 %
Non-cyclical consumer goods	11.94 %
Energy	9.56 %
Raw materials	3.89 %
Total	<u>71.83 %</u>

#### Geographical classification

(in percentage of net assets)

United States of America	14.50 %
Japan	10.90 %
Germany	10.29 %
The Netherlands	10.23 %
United Kingdom	8.61 %
Norway	4.21 %
Italy	3.89 %
South Korea	3.84 %
Switzerland	3.44 %
Hungary	1.92 %
Total	<u>71.83 %</u>

## Citadel Value Fund SICAV

### Statement of changes in investments (unaudited)

from June 1st 2021 to May 31st 2022

Currency	Description	Purchases	Sales	Other
<b><u>Shares</u></b>				
EUR	Signify NV	0	20,000	0
EUR	Tarkett SA	0	59,234	0
EUR	Vitesco Tec Gr Aktiengesellsch	38,000	0	2,000
KRW	Nong Shim Holdings Co Ltd	0	12,500	0
USD	American Eagle Outfitters Inc	35,000	0	0
USD	Bed Bath and Beyond Inc Reg	70,000	120,000	0

## Citadel Value Fund SICAV

### Notes to the financial statements

as at May 31st 2022

#### Note 1 - General information

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

The financial year of the Fund runs from June 1st to May 31st.

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 KIID 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 of 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.

## Citadel Value Fund SICAV

### Notes to the financial statements (continued)

as at May 31st 2022

#### 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	=	1.0270976	CHF	Swiss Franc
			0.8499802	GBP	Pound Sterling
			396.9000748	HUF	Hungarian Forint
			137.7874049	JPY	Japanese Yen
			1,329.2111329	KRW	South Korean Won
			10.0686422	NOK	Norwegian Krona
			1.0714000	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

(since January 1st 2022)

The Investment Manager Pure Capital S.A. 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., who may, subject to approval of the Investment Manager, sub-delegate its powers under an Investment Advisory Agreement signed on January 1st 2022 for an indefinite period.

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.

(until December 31st 2021)

The Management Company KREDIETRUST LUXEMBOURG S.A. appointed Andreas Capital S.A. as Investment Manager. 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. The net assets pertaining to the Class "MP" shares are not included in this calculation as they are not subject to the investment management fee.

## Citadel Value Fund SICAV

### Notes to the financial statements (continued)

as at May 31st 2022

The Investment Manager appointed as its investment advisor D&F Financial Services B.V., who may, subject to approval of the Investment Manager, sub-delegate its powers under an Investment Advisory Agreement signed on November 27th 2015 for an indefinite period.

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

(since January 1st 2022)

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.

(until December 31st 2021)

The Fund appointed KREDIETRUST LUXEMBOURG S.A. as Management Company. The Management Company is entitled to a fee amounting to 0.05% p.a. calculated on the basis of the Net Asset Value of the Fund, with an annual minimum of EUR 20.000.- payable out of the assets of the Fund.

#### 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.

(Until December 31st 2021)

The incentive fee is calculated in the following manner:

If the Fund Return (as defined below) exceeds the Hurdle Rate (as defined below), the difference between the Fund Return and the Hurdle Rate shall constitute the Excess Return.

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) The High Water Mark is therefore defined as the highest total net assets at the end of any of the financial years during the Performance Reference Period (after accrual of the incentive fee and adjusting for subscriptions, redemptions and dividends, if any are paid). 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.

The Fund Return in any year shall be calculated by deducting the High Water Mark (to be referred to as the reference net assets for the calculation of the performance fee - for the first financial year the beginning net assets will be used as reference) from the last total net assets of the current financial year (before accrual of the incentive fee and adjusting for subscriptions, redemptions and dividends, if any are paid in the current financial year)..

## Citadel Value Fund SICAV

### Notes to the financial statements (continued)

as at May 31st 2022

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The Hurdle Return is defined as the return that would have accrued had a sum equal to the High Water Mark (and subsequently adjusted for subscriptions, redemptions and dividends) been invested at the a return of 4% annualised during the current financial

For the purpose of calculating the NAV 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 materialised incentive fee until the fiscal year end, and will be paid to the Investment Manager after the fiscal year end.

The Investment Manager pays the Investment Advisor 100% of the Incentive Fee.

(since January 1st 2022)

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

If the Fund Return (as defined below) exceeds the Hurdle Return (as defined below), the difference between the Fund Return and the Hurdle Return shall constitute the Excess Return.

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 total net assets of the current financial year (before accrual of the incentive fee and adjusting for subscriptions, redemptions and dividends, if any are paid in the current financial year) is lower than the total net assets (after accrual of the incentive fee and adjusting for subscriptions, redemptions and dividends, if any are paid) as of the end of any of the three (3) financial years preceding the current financial year (the "Performance Reference Period"). The High Water Mark is therefore defined as the highest total net assets at the end of any of the financial years during the Performance Reference Period (after accrual of the incentive fee and adjusting for subscriptions, redemptions and dividends, if any are paid). 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.

The Fund Return in any year shall be calculated by deducting the High Water Mark (to be referred to as the reference net assets for the calculation of the performance fee - for the first financial year the beginning net assets will be used as reference) from the last total net assets of the current financial year (before accrual of the incentive fee and adjusting for subscriptions, redemptions and dividends, if any are paid in the current financial year).

The Hurdle Return is defined as the return that would have accrued had a sum equal to the High Water Mark (and subsequently adjusted for subscriptions, redemptions and dividends) been invested at the a return of 4% annualised during the current financial year.



## Citadel Value Fund SICAV

### Notes to the financial statements (continued)

as at May 31st 2022

The Fund pays the incentive fees to the Investment Manager and to the Investment Advisor of the Fund.

Fund	Share class	Performance fee amount in the Fund's currency	Performance fee ratio in % of average TNA
CITADEL VALUE FUND SICAV	P capitalisation	14.99	0.00%
		<u>14.99</u> EUR	

#### 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 - Depository fees and Central administration costs

The Board of Directors appointed QUINTET PRIVATE BANK (EUROPE) S.A. as depository for the entire financial year.

(until December 31st 2021)

The Board of Directors appointed KREDIETRUST LUXEMBOURG S.A. as administrative agent, domiciliary agent, registrar and transfer agent.

KREDIETRUST LUXEMBOURG S.A. delegated the function of administrative agent, registrar and transfer agent to EUROPEAN FUND ADMINISTRATION S.A..

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

(since January 1st 2022)

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 exclusive Administrative Agent, Registrar and Transfer Agent of the Fund, to EUROPEAN FUND ADMINISTRATION S.A.

Central administration costs and depository 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.

## Citadel Value Fund SICAV

### Notes to the financial statements (continued)

as at May 31st 2022

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 15,271.43 (the net amount is EUR 12,726.19 and EUR 2,545.24 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 - Events**

By circular resolution dated April 23rd 2021, the Board of Directors of the Fund resolved to replace KREDIETRUST LUXEMBOURG S.A, the Management Company and Domiciliation Agent of the Fund, by PURE CAPITAL S.A. and to replace ANDREAS CAPITAL S.A., the Investment Manager of the Fund, by PURE CAPITAL S.A. as of August 15th 2021 or any other suitable date. The effective date of replacement is finally set at January 1st 2022.

On February 24th 2022, Russia launched a military offensive against Ukraine resulting in widespread sanctions on Russia and heightened security and cyber threats. The situation in the region is rapidly evolving, the Fund Directors continue to monitor the situation carefully and will take whatever steps are necessary and in the best interests of the Fund's shareholders and stakeholders. Although the Fund has no sanctioned investor, the Fund will, amongst others, ensure that the requirements of all international sanctions are adhered to, manage the assets of the Fund proactively to best mitigate risk and ensure that the Management Company and other key suppliers continue to operate all protections, protocols, and monitoring of heightened cyber threats.

Although the Fund has no direct investments in Ukraine, Russia or their neighbouring countries, market disruptions associated with current geopolitical events have had a global impact, and uncertainty exists as to their implications. Such disruptions can adversely affect the performance of the Fund. The Fund Directors and the Management Company continue to monitor developments and evaluate continuously its impact on the Fund.

#### **Note 11 - Impact of the COVID-19 outbreak**

With regard to the effects of Coronavirus disease ("COVID-19") on the Fund's investments, as of May 31st 2022 most of the Fund's investments are back on their pre-COVID growth trajectories, reflecting the resilience and strong market positions of the Fund's investments. Some exceptions are investments that have done very well during COVID-19 and part of this outperformance has remained.

On the other side, some investments continue to be affected by world-wide supply chain issues following the COVID-19 situation. In case of COVID-19 impact on the investments of the Fund, this will be reflected in the future financial statements.

The Board of Directors has assessed and concluded that there is no indication of any impact on the going concern of the Fund.

## **Citadel Value Fund SICAV**

### **Notes to the financial statements (continued)**

as at May 31st 2022

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The Fund issues each month a newsletter addressed to the Fund's (potential) investors with disclosures of any relevant significant information concerning the impacts of COVID-19 on the Fund's portfolio, if any, as well as limited financial reporting and explanations on underlying investments. The Fund continues to provide transparency on the actual and potential impacts of COVID-19 in these newsletters as well as in the (semi) annual financial reports of the Fund.

#### **Note 12 - 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 May 31st 2022, 19.07% of total net assets is considered illiquid according to the methodology implemented by the Risk Management Department of the Management Company.

#### **Note 13 -Subsequent events**

As of today's date there are no subsequent events to be disclosed,.

## Citadel Value Fund SICAV

### Additional information (unaudited)

as at May 31st 2022

#### 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

As at December 31st 2021:

Total KREDIETRUST LUXEMBOURG S.A.'s staff member remuneration is split into a fixed and a variable remuneration:

-Fixed EUR 1,861,592.04  
-Variable EUR 118,110.00

Number of employees:

-25.72 headcount

Aggregated remuneration of the conducting officers remuneration is EUR 361,987.63.

Details of the management company's updated remuneration policy, including a description of how remuneration and benefits are calculated, are available on the website <https://www.quintet.com/en-LU/Pages/Regulatory-affairs>.

(since January 1st 2022)

With regard to Pure Capital S.A.:

	Number of Beneficiaries	Total remuneration paid	Fixed remuneration paid	Variable remuneration paid	Amount paid directly by the Fund 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	3,484,606.88 €	1,414,606.88 €	2,070,000.00 €	43,843.37 €
Total remuneration paid by the Management Company and by the Investment Company during the financial year to other staff	16	1,761,694.29 €	1,168,194.29 €	593,500.00 €	

**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 - Sustainability-related disclosures**

The approach to sustainable finance may evolve and develop over time, both due to a refinement of investment decision-making processes to address ESG factors and risks, and because of legal and regulatory developments. Article 7 of Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainability investment (the "Taxonomy Regulation") applies to this Fund. The investments underlying this financial product do not take into account the EU criteria for environmentally sustainability economic activities. The Fund can therefore qualify as a financial product under Article 6 of the SFDR.