

Investment Objective and Policies

The Fund aims to maximise the total level of return through investment, primarily in debt securities and money market instruments issued by the Government of Malta, and equities and corporate bonds issued and listed on the MSE.

The Investment Manager may also invest directly or indirectly up to 15% of its assets in "Non-Maltese Assets". The Investment Manager will maintain an exposure to local debt securities of at least 55% of the value of the Net Assets of the Fund.

The Fund is actively managed, not managed by reference to any index.

Fund Type UCITS
 Minimum Initial Investment €2,500

Fund Details

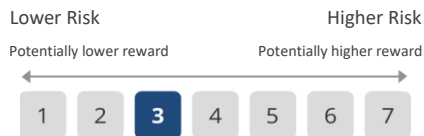
ISIN MT7000022273
 Bloomberg Ticker CCMIFAA MV

Charges

Entry Charge Up to 2.5%
 Exit Charge None
 Total Expense Ratio 1.25%
 Currency fluctuations may increase/decrease costs.

Risk and Reward Profile

This section should be read in conjunction with the KIID


Portfolio Statistics

Total Net Assets (in €mns) 22.11
 Month end NAV in EUR 102.4
 Number of Holdings 74
 % of Top 10 Holdings 29.0

Current Yields

Underlying Yield (%) 2.39

Country Allocation¹ %

Malta	87.6
Other	12.4

¹ including exposures to CIS and Cash

Top 10 Issuers² %

GO plc	5.4
PG plc	3.9
Central Business Centres	3.8
RS2 Software plc	3.0
SD Finance plc	2.6
Bank of Valletta plc	2.3
Hili Properties plc	2.3
Stivala Group Finance plc	2.1
Eden Finance	2.1
IHI plc	2.1

² including exposures to CIS, excluding Cash

Top 10 Exposures %

PG plc	3.9
Harvest Technology plc	3.4
4% Central Business Centres 2033	3.2
RS2 Software plc	3.0
3.5% GO plc 2031	2.9
3.9% Browns Pharma 2031	2.7
4.35% SD Finance plc 2027	2.6
4.65% Smartcare Finance plc 2031	2.5
GO plc	2.5
3.75% Tum Finance plc 2029	2.4

Currency Allocation %

EUR	100.0
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Asset Allocation³ %

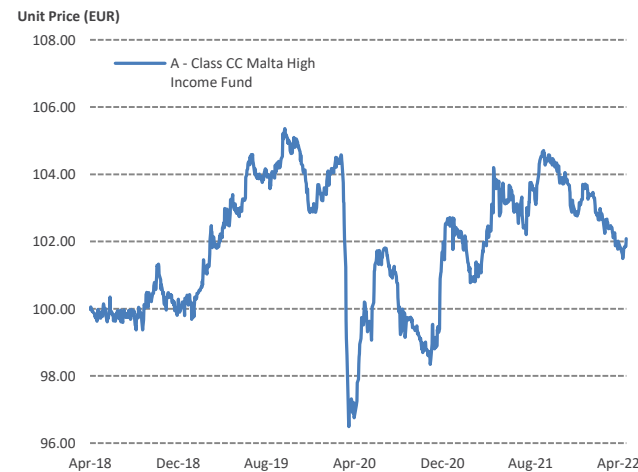
Cash	8.0
Bonds	64.0
Equities	25.8

³ including exposures to CIS

Maturity Buckets⁴ %

0 - 5 years	17.0
5 - 10 years	38.5
10 years +	6.2

⁴ based on the Next Call Date

Historical Performance to Date


Source: Calamatta Cuschieri Investment Management Ltd.

Sector Allocation³ %

Consumer, Cyclical	47.6
Real Estate	13.2
Communications	10.2
Industrial	6.5
Financial	3.7
Energy	2.2
Consumer, Non-Cyclical	1.9
Government	1.6
Diversified	1.2

Performance History

Past performance does not predict future returns

Calendar Year Performance	YTD	2021	2020	2019	2018*	Annualised Since Inception **
Total Return***	-1.55	1.07	-1.06	3.37	0.31	0.51

Calendar Year Performance	1-month	3-month	6-month	9-month	12-month
Total Return***	0.21	-1.16	-1.61	-0.77	-1.75

* The Accumulator Share Class (Class A) was launched on 10 April 2018

** Performance figures are calculated using the Value Added Monthly Index "VAMI" principle. The VAMI calculates the total return gained by an investor from reinvestment of any dividends and additional interest gained through compounding. The Annualised rate is an indication of the average growth of the Fund over one year. The value of the investment and the income yield derived from the investment, if any, may go down as well as up and past performance is not necessarily indicative of future performance, nor a reliable guide to future performance. Hence returns may not be achieved and you may lose all or part of your investment in the Fund. Currency fluctuations may affect the value of investments and any derived income.

*** Returns quoted net of TER. Entry and exit charges may reduce returns for investors.

Introduction

April, along the same route of the preceding three months and first quarter of the year proved negative for financial markets. Russia's invasion in Ukraine, stringent Covid-19 policies in China once more prompting demand concerns and supply-chain disruptions, and expectations of a swift tightening in US monetary policy all weighed on sentiment. Credit markets came under pressure with investment grade and high-yield corporate credit delivering negative returns as treasury yields – pricing in the Fed's hawkish stance - maintained the upward trajectory. Also, the positive correlation to US paper led European sovereign yields higher.

Market Environment and Performance

The eurozone economy advanced by 0.2 per cent on quarter in the first three months of 2022, the least since the bloc exited a recession last year and below market expectations of a 0.3 per cent growth. Growth readings in Spain and Germany of 0.3 and 0.2 per cent respectively more than offset a contraction in Italy. Meanwhile the French economy stalled.

Forward looking indicators, notably Purchasing Managers Index (PMI) data painted a somewhat mixed picture as services - benefiting from loosened coronavirus restrictions - expanded while manufacturing contracted. Owing to such uptick in services, which offset the slowdown across the manufacturing sector, remaining susceptible to supply constraints and a slowdown in growth for new orders, the Eurozone Composite PMI increased to 55.8 from the previous months reading of 54.9.

In April, energy and food prices continued to contribute to a rise in annual inflation – a fresh record high at 7.5 per cent, in-line with expectations and marginally higher than the previous month reading of 7.4 per cent. Core inflation, which excludes transitory or temporary price volatility, rose to 3.5 per cent – the highest since available records began in January of 1997. The rate of inflation remains well above the European Central Bank (ECB) target of 2.0 per cent. Month-on-month, inflation increased by 0.6 per cent.

European sovereign yields furthered on the strong upward trajectory witnessed in March, heading to the highest in years on expectations of more aggressive interest rate increases by major central banks in spite of worsening sentiment due to China's strict coronavirus curbs. Also, ECB president Christine Lagarde repeated the message that asset purchases will end early in Q3 and rates could rise this year, but affirmed that the governing council will maintain "optionality".

The yield on the 10-year German Bund, closed the month at 0.94 per cent, 39bps higher than the previous month end. Bond yields of sovereigns within the bloc's periphery, those which offer a premium over Germany's negative yielding debt, moved in tandem, albeit rising at somewhat faster pace.

Fund Performance

In March, the Malta High Income Fund registered a gain of 0.21 percent for the month, underperforming its internally compared benchmark which saw gains of 1.66 per cent for the month, following a positive run across local listed equities.

Throughout the month the Manager continued to take an active approach, also seeking pockets of value by looking into attractive credit and equity stories. In the month, the Manager increased the funds exposure to foreign equities and ETFs – a move which will increase the fund's liquidity. The aim remains, to continue tweaking the fund's allocation towards the bond market, in line with the newly adopted strategy of a stable level of income and capital preservation.

Market and Investment Outlook

Moving forward, the Managers believe in adopting a more defensive stance given the current economic climate. Price pressures may well leave a negative impact on the Maltese economy, possibly hindering the forecasted pace of recovery. Such pace remains highly dependant on inbounds of tourism, now seemingly more optimistic following an increase in appetite for travel.

Important Information

This is a marketing communication prepared for information purposes and should not be interpreted as investment advice nor to constitute an offer or an invitation by CCIM to any person to buy or sell units in the UCITS fund. Please refer to the Prospectus of the UCITS and any Offering Supplement thereto and to the Key Investor Information Document before making any final investment decisions which may be obtained from www.ccfunds.com.mt or from the below address. Investors are advised that an investment in the fund relates to the acquisition of units in the UCITS fund, and not in any of the underlying assets owned by the UCITS. CC Funds SICAV p.l.c. is licensed as a Collective Investment Scheme by the Malta Financial Services Authority under the Investment Services Act and qualifies as a 'Maltese' UCITS. Calamatta Cuschieri Investment Management Limited ("CCIM") is licensed to conduct Investment Services in Malta by the Malta Financial Services Authority under the Investment Services Act.

This Marketing Communication is approved by Calamatta Cuschieri Investment Management Limited, Ewropa Business Centre, Triq Dun Karm, Birkirkara BKR 9034.

Source: Net Asset Value per Share as published by CC Fund Services Ltd, the Fund's Administrator, licensed by the MFSA.