

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

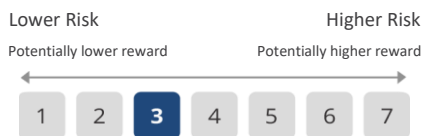
ISIN MT7000022281
 Bloomberg Ticker CCMIFAB MV

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) 22.59
 Month end NAV in EUR 91.65
 Number of Holdings 75
 % of Top 10 Holdings 37.8

Current Yields

Underlying Yield (%) 2.36
 Distribution Yield (%) 3.00

Country Allocation¹ %

Malta 95.8
 Other 4.2

¹ including exposures to CIS and Cash

Currency Allocation %

EUR 100.0

Top 10 Issuers² %

GO plc 5.0
 Central Business Centres 3.8
 PG plc 3.8
 SD Finance plc 2.6
 RS2 Software plc 2.4
 Hili Properties plc 2.3
 Bank of Valletta plc 2.3
 Stivala Group Finance plc 2.1
 Eden Finance 2.0
 IHI plc 2.0

² including exposures to CIS, excluding Cash

Asset Allocation³ %

Cash 10.2
 Bonds 63.6
 Equities 24.7

³ including exposures to CIS

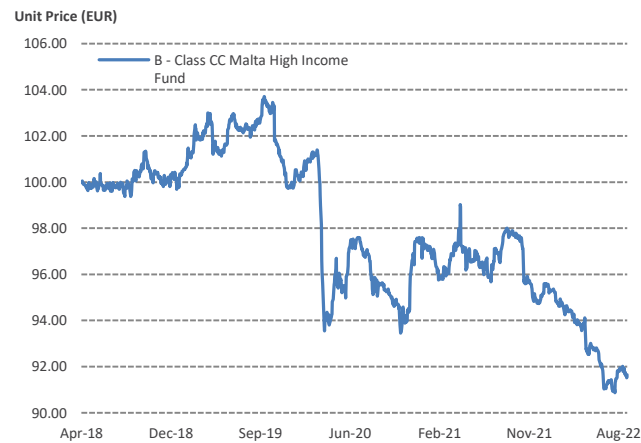
Top 10 Exposures %

PG plc 3.8
 4% Central Business Centres 2033 3.2
 Harvest Technology plc 2.8
 3.5% GO plc 2031 2.7
 3.9% Browns Pharma 2031 2.7
 4.35% SD Finance plc 2027 2.6
 4.65% Smartcare Finance plc 2031 2.5
 RS2 Software plc 2.4
 3.75% Tum Finance plc 2029 2.3
 GO plc 2.3

Maturity Buckets⁴ %

0 - 5 years 18.4
 5 - 10 years 38.3
 10 years + 4.8

⁴ based on the Next Call Date

Historical Performance to Date


Source: Calamatta Cuschieri Investment Management Ltd.

Performance History

Past performance does not predict future returns

Calendar Year Performance	YTD	2021	2020	2019	2018*	Annualised Since Inception **
Total Return***	-2.68	1.07	-1.05	3.37	0.32	0.21

Calendar Year Performance	1-month	3-month	6-month	9-month	12-month
Total Return***	0.19	-1.12	-1.37	-1.90	-3.04

*The Distributor Share Class (Class B) 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.

Sector Allocation³ %

Consumer, Cyclical 47.1
 Real Estate 13.0
 Communications 9.4
 Industrial 6.4
 Financial 3.7
 Energy 2.2
 Consumer, Non-Cyclical 1.9
 Government 1.5
 Diversified 1.2

Introduction

Economic data prints have in August continued to illustrate somewhat of a mixed landscape as the labour market remained strong amid worsening macro conditions. Forward looking indicators, namely Purchasing Manager Index (PMI) readings showed activity losing momentum as demand waned while inflation remained at notable highs.

The recently witnessed upward momentum across financial markets, floundered. Central Banks' commitment to bring inflation under control despite such inherent risks to the growth outlook, observed in Jerome Powell's speech at the annual Jackson Hole Economic Symposium, drove markets lower rattling bond markets. Consequent to mounting fears of a worsening growth outlook and such shift in rhetoric, a shift across the US treasury yield curve was noted. Germany's – Europe's benchmark yield – followed suit.

Germany's 10-year yield ended the month at 1.54%, 72bps higher than the previous month-end close. Bond yields of sovereigns within the bloc's periphery, those which offer a premium over Germany's debt, moved in tandem, albeit rising at somewhat faster pace.

Market Environment and Performance

Forward looking indicators, namely PMIs have continued to paint a somewhat gloomy picture as manufacturing and services, noted a sharp deterioration in the rate of growth, pointing to a second successive contraction in activity. In August, manufacturing (reading 49.6) shrank fell at a similar pace to that seen in July, which was the strongest since May 2020. Output fell at a similar pace to that seen in July, which was the strongest since May 2020, while new orders declined sharply once again. Weak demand conditions were a major drag on goods producers in August, reflecting deteriorating purchasing power across Europe amid high inflation. Services, for the first time this year revolved in contractionary territory, as August's reading came in at 49.8, lower than a preliminary of 50.2. New orders fell the most since February 2021 due to demand weakening and growth in employment waning.

Pressured by elevated energy costs and the continued acceleration in food prices and services, inflationary pressures persisted. In August, annual inflation rate increased to a new record high of 9.1%. On a monthly-on-month basis, the Consumer Price Index (CPI) in the Euro Area increased 0.50% over the previous month, preliminary estimates showed. Core inflation, which excludes transitory or temporary price volatility, increased to a record high of 4.3% from 4% in the previous month.

Fears of worsening economic conditions in Europe facing notably high inflation and an energy crisis looming, reflected on currency markets, pushing the Euro to slip below parity against the US dollar.

Fund Performance

In August, the Malta High Income Fund registered a gain of 0.19% for the month, outperforming its internally compared benchmark which saw a marginal loss of 0.16%.

Throughout the month the Manager continued to take an active approach, also seeking pockets of value by looking into attractive credit and equity stories. The fund's objective, 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 - remains unchanged.

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, which have thus far proved 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.