HIGH INCOME BOND FUND

SHARE CLASS B (ACCUMULATOR) - FACT SHEET

Factsheet at 31st December 2022

Month end NAV as at 30th December 2022

Investment Objective and Policies

The Fund aims to maximise the total level of return for investors by investing, mainly in a diversified portfolio of bonds and other similar debt securities. In pursuing this objective, the Investment Manager shall invest primarily in a diversified portfolio of corporate & government bonds maturing in the medium term, with an average credit quality of "Ba3" by Moody's or "BB-" by S&P, although individual bond holdings may have higher or lower ratings. The Fund can also invest up to 10% of its assets in Non-Rated bond issues.

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

The newly launched share class B is the receiving share class following merger as of the 21st May 2022 with the share class A of the Global High Income Bond Fund.

Fund Type	UCITS
Minimum Initial Investment	$2,500

Fund Details

ISIN	MT7000030912
Bloomberg Ticker	CCHIHBB MV

Charges

Entry Charge	Up to 2.5%
Exit Charge	None
Total Expense Ratio	1.49%

Currency fluctuations may increase/decrease costs.

Risk and Reward Profile

This section should be read in conjuction with the KIID

Lower Risk	Higher Risk
Potentially lower reward	Potentially higher reward

1 2 3 **4** 5 6 7

Portfolio Statistics

Total Net Assets (in €mns)	51.67
Month end NAV in USD	118.15
Number of Holdings	129
% of Top 10 Holdings	19.6

Current Yields

Underlying Yield (%)	5.13

Risk Statistics

Risk Statistics	3Y	5Y
Sharpe Ratio	-0.59	-0.57
Std. Deviation (%)	9.49%	7.60%

Country Allocation[1]	%
France	9.1
Germany	9.0
Netherlands	5.8
Brazil	5.5
Spain	5.2
Italy	3.1
Turkey	3.0
Malta	2.9
Mexico	2.1
Switzerland	1.9

[1] including exposures to CIS

Credit Rating[2]	%
From AAA to BBB-	16.0
From BB+ to BB-	38.2
From B+ to B-	22.4
CCC+	2.6
Less than CCC+	2.8
Not Rated	2.9
Average Credit Rating	**BB-**

[2] excluding exposures to CIS

Top 10 Exposures	%
iShares USD High Yield Corp Distr	2.7
iShares Euro High Yield Corp	2.5
iShares Fallen Angels HY Corp	2.4
4% JP Morgan Chase & Co perp	2.0
Lyxor ESG Euro High Yield	1.9
4.75% Banco Santander perp	1.7
5.628% Encore Capital Group 2028	1.7
5.299% Petrobras Global Fin 2025	1.7
2.5% Hapag-Lloyd AG 2028	1.6
4.625% Volkswagen Intl Fin NV perp	1.5

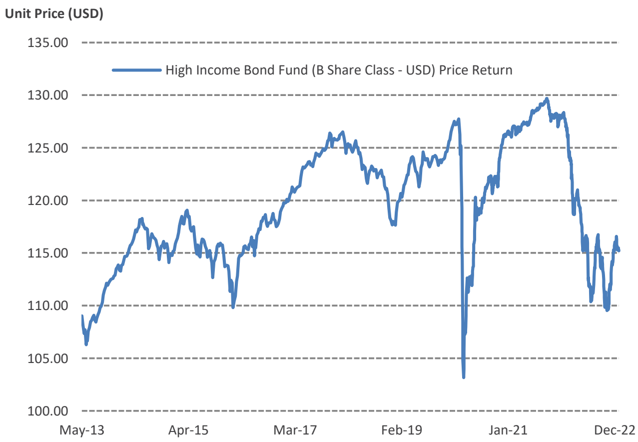
Currency Allocation	%
EUR	63.9
USD	36.1
Others	0.0

Asset Allocation	%
Cash	5.6
Bonds	84.8
CIS/ETFs	9.7

Maturity Buckets[3]	%
0 - 5 years	72.1
5 - 10 years	10.7
10 years +	2.0

[3] based on the Next Call Date

Historical Performance to Date*



Source: Calamatta Cuschieri Investment Management Ltd.

Sector Breakdown[2]	%
Funds	9.7
Telecommunications	8.7
Transportation	5.4
Auto Parts&Equipment	5.1
Oil&Gas	4.6
Gaming	4.2
Pharmaceuticals	4.0
Chemicals	3.8
Auto Manufacturers	3.3
Debt Collectors	2.8
Media	2.6
Food	2.5

Performance History*

Past performance does not predict future returns

Calendar Year Performance	YTD	2021	2020	2019	2018	Annualised Since Inception**
Share Class A - Total Return* **	-10.13	1.46	-0.14	7.48	-6.45	0.58
	2017	2016	2015	2014	2013	
Share Class A - Total Return* **	5.32	4.96	-0.89	1.72	3.56	

Total Return	1-month	3-month	6-month	9-month	12-month
Share Class A - Total Return* **	-0.01	4.71	4.37	-4.52	-10.13

* The share class B was launched on 21 May 2022. The chart data and performance history are the simulated performance based on the share class A (Accumulator) of the High Income Bond Fund, which was launched in September 2011. The investment objectives and policies and risk and reward profile of both share classes are substantially the same.

** The Accumulator Share Class (Class A) was launched on 29 May 2013. 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.

Market Commentary

Introduction

2022, a year - possibly like no other in recent market history – was characterised by economic uncertainty and significant market volatility.

Geopolitical tensions in eastern Europe and central banks' battle against inflationary pressures, took centre stage, proving to be the main sources of market struggles. Indeed, bond markets felt the pinch, ending the year substantially negative, notwithstanding some relief witnessed in the final quarter of the year as market participants clinched to the idea that inflation may have possibly peaked, paving the way for the pace of interest rate rises to slow. Also, in China strict coronavirus restrictions - a major dampener on domestic demand - were in the final quarter eased, re-igniting hopes that the country is incrementally heading towards the end of its zero-Covid policy. Such news was positively digested, alleviating overall market sentiment.

Market Environment and Performance

Forward looking indicators, namely PMIs continued to paint a somewhat gloomy landscape, noting a deterioration – albeit at a softer pace in both manufacturing and service segments - in the rate of growth. Manufacturing (reading 47.8 v a previous month reading of 47.1) remained in contractionary territory despite inflationary pressures easing and supply chains showing signs of stabilizing. Output fell the least since June while the decline in factory sales was the softest in four months. Services (reading 49.8 v a preliminary estimate of 49.1 and previous month reading of 48.5) showed signs of improvement, albeit pointing to a fifth successive drop.

In December, inflationary pressures continued to show signs of easing, with major economies in the euro Area witnessing a decline in pricing pressures, preliminary estimates showed. Notably, Germany saw headline inflation falling to 8.6 from 9.1%. France too saw inflationary pressures easing, falling to 5.9 from 6.4%, as costs declined for energy and services. Largely, inflation in the Euro area, dropped to 9.2 from 10.1%. Core inflation, which excludes transitory or temporary price volatility, edged higher to 5.2%. Supporting such trajectory was the decline in Producer Prices (PPI) - a forward looking indicator measuring the average change in the price of goods and services sold by manufacturers and producers in the wholesale market - down to 27.1 from 30.5%.

Aggregate business activity in the US pointed to a continued solid contraction across the private sector. Notably, composite PMI reading in December fell to 44.6 from November's 46.4, driven by worsening conditions in both manufacturing and service sectors. Manufacturing PMI (reading 46.2) pointed to the biggest contraction in factory activity since May 2020. Output fell at a solid pace while new orders fell at one of the fastest rates ever as companies noted weaker client demand, stemming from economic uncertainty and inflationary pressures leading to lower purchasing power among customers. Meanwhile, services slumped to 44.4 in December from 46.2 in the previous month - the fastest pace of contraction in the service sector for four months and the quickest since 2009.

Annual inflation rate in the US, for a sixth successive month, slowed to 6.5% - in line with market forecasts of 6.6%. Month-on-month, consumer prices were down 0.1%, from the 0.1% increase in November and below expectations of a flat reading. Data, from the employment front, continued to somewhat point to a tight labour market, with incoming data proving largely mixed. Non-farm payrolls print showed that 223k jobs were created in December compared to market expectations of 200k, wage growth came in below expectations while unemployment rate fell to 3.5 from 3.7%. Meanwhile, the labour force participation rate edged higher to 62.3 from 62.2% in the previous month.

Throughout the month of December, market participants continued to monitor economic data and interpret how such figures will ultimately dictate policy action going forward. Notably, whether monetary politicians will maintain their aggressive hawkish stance or whether there is a scope for slowing the pace. Recent market trends taught us that positive numbers tend to be a drag on markets and serve as an additional dose of monetary tightening. From a performance point of view, December saw the upward trend partially paused, as the pace witnessed during the final quarter of 2022, slowed. Indeed, global high yield indices edged marginally lower, a loss of c. 0.10%. For the full year, global high yield credit saw losses amounting to 11.84%.

Fund Performance

In the month of December, the CC High Income Bond Fund remained flat over the previous month end. Throughout the month the Manager took opportunity of the recent widening in spreads by re-tapping selective names which relatively offered value whilst increasing the portfolio's overall duration and exposure to US high yield corporate credit.

For the full year, the fund saw a return of -10.13%, outperforming its comparable benchmark.

Market and Investment Outlook

In 2023, the Manager expects credit markets to largely remain conditioned by monetary decisions taken, continuing to substantially alter benchmark yields. A longer hiking cycle and a higher terminal rate is now anticipated in the US. The quantum of each hike, however may possibly be lower than we have over recent months envisaged. This, remaining data dependent on mainly inflation and tightness within the labour market. In Europe the economic situation starkly varies. In terms of monetary policy employed, the ECB – acting with a lag and at a somewhat slower pace when compared to the Fed – is expected to maintain its recent pace. Consumer sentiment however remains at notable lows and the energy crisis, at present allayed by warmer weather, still looms. Colder weather and/or adverse decisions by OPEC+/Russia may indeed threaten energy supplies and thus higher energy prices, in recent weeks proving benevolent to home owners and businesses.