INCOME STRATEGY FUND

SHARE CLASS A (DISTRIBUTOR) - FACT SHEET

Factsheet as at 31st December 2022

Month end NAV as at 31st December 2022

Investment Objective and Policies

The Fund aims to achieve a combination of income, with the possibility of capital growth by investing in a diversified portfolio of collective investment schemes.

The Investment Manager ("We") will invest in collective investment schemes ("CIS") (including UCITS, exchange-traded funds and other collective investment undertakings) that invest in a broad range of assets, including debt and equity securities. In instances, this may involve investing in CISs that are managed by the Investment Manager.

The Investment Manager ("We") aims to build a diversified portfolio spread across several industries and sectors.

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

Minimum Initial Investment	€5,000

Fund Details

ISIN	MT7000030680
Bloomberg Ticker	CCPISAE MV

Charges

Entry Charge	Up to 2.5%
Exit Charge	None
Total Expense Ratio	1.94%

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)	6.67
Month end NAV in EUR	85.27
Number of Holdings	13
% of Top 10 Holdings	88.2

Current Yield

Last 12-m Distrib. Yield (%)	-

Currency Allocation	%
EUR	100.00
USD	0.00
GBP	0.00

Asset Allocation	%
Fund	89.40
ETF	7.20
Cash	3.40

Asset Class	%
Fixed Income	96.60
Equity	0.00

Geographic Allocation	%
Europe	37.70
Global	37.30
International	21.60

Top Holdings	SRRI	%
UBS (Lux) Bond Fund - Euro High Yield	4	20.7
CC Funds SICAV plc - High Income Bond Fund	4	10.6
Robeco Capital Growth Funds - High Yield Bonds	4	8.2
Nordea 1 - European High Yield Bond Fund	4	8.1
DWS Invest Euro High Yield Corp	4	7.1
BlackRock Global High Yield Bond Fund	4	6.9
AXA World Funds - Global High Yield Bonds	4	6.9
Janus Henderson Horizon Global High Yield Bond Fund	4	6.8
Schroder International Selection Fund Global High Yield	5	6.6
Fidelity Funds - European High Yield Bond Fund	4	6.3

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
Share Class A - Total Return******	-11.59	-1.26	N/A	N/A	N/A

Total Return	1-month	3-month	6-month	9-month	12-month
Share Class A - Total Return******	-0.83	2.99	2.06	-8.55	-11.59

* The Distributor Share Class (Class A) was launched on 15 September 2021.

** 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 Distributor Share Class (Class A) was launched on 15 September 2021.

**** 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 cosst 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

Performance for the month of December proved negative, noting a 0.83% decline for the CC Income Portfolio Fund – in line with the moves witnessed across credit markets at large. Given the cautious, yet active approach employed by the manager, the funds' relative outperformance to its peers, has on a year-to-date basis been maintained.

For the full year 2022, the fund saw a total negative return of 11.59%.

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.