

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

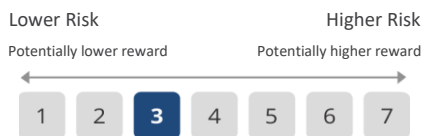
ISIN MT7000022281
 Bloomberg Ticker CCMIFAB MV

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) 21.94
 Month end NAV in EUR 88.75
 Number of Holdings 77
 % of Top 10 Holdings 38.2

Current Yields

Underlying Yield (%) 2.61
 Distribution Yield (%) 3.05

Country Allocation¹ %

Malta	89.5
Other	10.5

¹ including exposures to CIS and Cash

Currency Allocation %

EUR	100.0
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Top 10 Issuers² %

GO plc	4.8
Central Business Centres	3.8
PG plc	3.7
SD Finance plc	2.6
RS2 Software plc	2.4
Hili Properties plc	2.3
Tigne Mall plc	2.2
Eden Finance	2.1
Stivala Group Finance plc	2.1
IHI plc	2.0

² including exposures to CIS, excluding Cash

Asset Allocation³ %

Cash	6.2
Bonds	67.1
Equities	25.1

³ including exposures to CIS

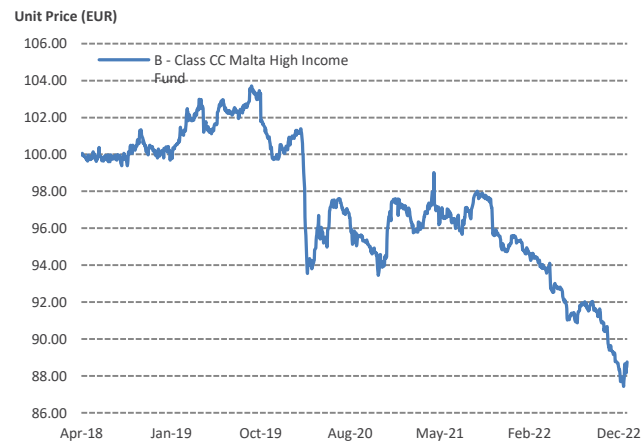
Top 10 Exposures %

PG plc	3.7
Harvest Technology plc	3.3
4% Central Business Centres 2033	3.1
3.9% Browns Pharma 2031	2.7
3.5% GO plc 2031	2.6
4.35% SD Finance plc 2027	2.6
4.65% Smartcare Finance plc 2031	2.6
RS2 Software plc	2.4
4.5% Endo Finance plc 2029	2.3
Tigne Mall plc	2.2

Maturity Buckets⁴ %

0 - 5 years	23.8
5 - 10 years	36.6
10 years +	4.7

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***	-4.30	1.07	-1.05	3.37	0.32	-0.16

Calendar Year Performance	1-month	3-month	6-month	9-month	12-month
Total Return***	0.08	-1.26	-1.01	-2.59	-4.30

*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	48.9
Real Estate	14.7
Communications	9.4
Industrial	6.4
Financial	4.2
Energy	2.1
Consumer, Non-Cyclical	1.9
Government	1.4
Diversified	1.2

Introduction

For months, sovereign yields amid the continued hawkishness and thus monetary tightening observed by leading central banks, headed higher. A pause was however witnessed in November. This, as market expectations, revolving around a possible easing in tightening policy measures, was witnessed. In December, a continuation of such previous stance was observed with Government bond yields, once more, heading notably higher and credit spreads widening across global markets.

In the month, Germany's 10-year yield ended the month, 64bps higher than the previous month closing, at 2.57%. A similar trajectory was largely observed across other European sovereigns which closed the month notably higher compared to previous the month end. Such upward shift proved relatively more upbeat on both Italian and Spanish debt, tightening by 83 and 71bps respectively.

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 cost 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%.

Fund Performance

In December, the Malta High Income Fund registered a gain of 0.08% for the month, outperforming its internally compared benchmark which saw a loss of 0.09%.

Throughout the month the Manager continued to monitor market developments and retained high levels of cash as a cushion to mitigate volatility.

Market and Investment Outlook

Moving forward, the Managers believe in maintain a 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 witnessed particularly over the peak season, which have seemingly proved optimistic as appetite for travel, increased.

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.