HIGH INCOME BOND FUND

SHARE CLASS B (ACCUMULATOR) - FACT SHEET

Factsheet at 31st August 2023

Month end NAV as at 31st August 2023

CCFunds™ Maximise your return

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.

Fund Type	UCITS
Minimum Initial Investment	$2,500

Sustainability

The Fund is classified under Article 6 of the SFDR meaning that the investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Fund Details

ISIN	MT7000030912
Bloomberg Ticker	CCHIHBB MV

Charges

Entry Charge	Up to 2.5%
Exit Charge	None
Total Expense Ratio	1.75%

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)	49.76
Month end NAV in USD	121.72
Number of Holdings	127
% of Top 10 Holdings	19.2

Current Yields

Underlying Yield (%)	5.40

Risk Statistics

Risk Statistics	3Y	5Y
Sharpe Ratio	-1.00	-0.58
Std. Deviation (%)	4.68%	7.56%

Country Allocation[1]

Country Allocation[1]	%
United States	24.0
Germany	11.4
France	8.6
Spain	5.3
Brazil	4.3
Italy	4.2
United Kingdom	3.7
Luxembourg	3.3
Netherlands	3.2
Malta	3.0

[1] including exposures to CIS

Credit Rating[2]

Credit Rating[2]	%
From AAA to BBB-	16.2
From BB+ to BB-	43.3
From B+ to B-	20.1
CCC+	2.3
Less than CCC+	2.2
Not Rated	3.0
Average Credit Rating	**BB**

[2] excluding exposures to CIS

Top 10 Exposures

Top 10 Exposures	%
iShares Fallen Angels HY Corp	2.6
4% JP Morgan Chase & Co perp	2.3
iShares Euro High Yield Corp	2.2
Lyxor ESG Euro High Yield	2.1
7.5% Nidda Healthcare Holding 2026	1.9
7.913% Encore Capital Group Inc 2028	1.8
3.875% Allwyn International 2027	1.7
2.5% Hapag-Lloyd 2028	1.7
4.625% Volkswagen perp	1.6
3.5% Eircom Finance DAC 2026	1.5

Currency Allocation

Currency Allocation	%
EUR	64.0
USD	36.0
Others	0.0

Asset Allocation

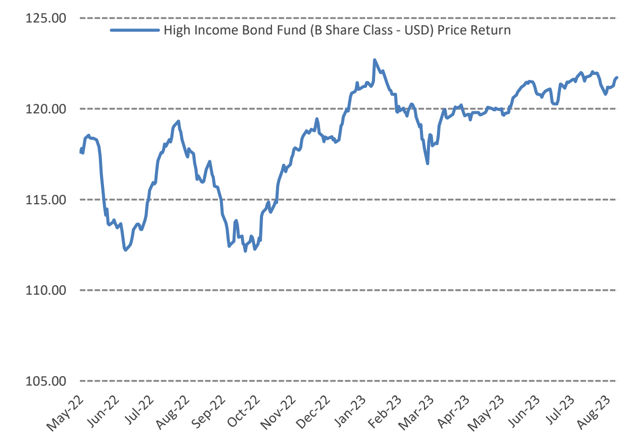
Asset Allocation	%
Cash	3.1
Bonds	87.1
CIS/ETFs	9.8

Maturity Buckets[3]

Maturity Buckets[3]	%
0 - 5 years	68.6
5 - 10 years	16.0
10 years +	2.5

[3] based on the Next Call Date

Historical Performance to Date*



Source: Calamatta Cuschieri Investment Management Ltd.

Sector Breakdown[2]

Sector Breakdown[2]	%
Banks	11.8
Funds	9.8
Telecommunications	9.3
Pharmaceuticals	7.1
Auto Parts&Equipment	6.5
Gaming	4.6
Chemicals	4.2
Debt Collectors	3.6
Auto Manufacturers	3.4
Media	3.0
Transportation	3.0
Oil&Gas	2.8

Performance History*

Past performance does not predict future returns

Calendar Year Performance	YTD	2022	2021	2020	2019	Annualised Since Inception**
Share Class A - Total Return* **	2.05	-10.13	1.46	-0.14	7.48	0.74
	2018	2017	2016	2015	2014	2013
Share Class A - Total Return* **	-6.45	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* **	-0.10	1.13	0.87	2.04	2.90

* The share class B was launched on 21 May 2022.

** 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

Market volatility, primarily reflecting renewed stress in the Chinese property market, weak macroeconomic data coming out of China, and sovereign bond yields heading higher, took centre stage. The latter, a consequence of the uncertainty surrounding central bankers' upcoming moves in the highly anticipated September policy meetings.

Fed minutes revealed that most officials remain concerned about inflation, and thus left the door open for additional rate hikes if necessary while Powell, speaking at the Jackson Hole Symposium emphasized the potential necessity for the Fed to implement additional interest rate hikes to effectively manage inflation. In Europe, policymakers maintained the possibility of a September rate hike as they expect inflation "to remain too high for too long". Certain members however appear to suggest that such a move might no longer be necessary.

From a performance viewpoint, uncertainty and shifts across the curve weighed on, driving a mixed performance across the income-generating asset class. Treasury yields widened while European sovereigns realized gains. The lower rated and thus riskier European and US names outperformed, noting marginal returns.

Market Environment and Performance

The Eurozone economy grew by 0.1% in Q2 2023 as a recovery in demand, compared to the previous quarter, was witnessed. Likely bolstered by a moderation in inflationary pressures. Higher interest rates and waning confidence however continued to weigh on the bloc's economy. Among the bloc's biggest economies, Germany's economy stagnated while Italy unexpectedly experienced a 0.4% contraction.

Adding to doubts about the possibility of a positive Q3 growth rate figure is the deepening downturn in private-sector activity. Purchasing Managers' Index (PMI) indicators, following a brief growth revival recorded in spring, continued to show signs of weakness amid a first contraction in services (reading 47.9 v a preliminary estimate of 48.3 and previous month reading of 50.9) for 2023 and a continued downturn in manufacturing (reading 43.5 v a previous month reading of 42.7). Overall, new orders dropped, leading to companies completing outstanding work at the fastest rate in over three years, resulting in one of the softest 12-month outlook in 2023 so far. Jobs growth nearly stalled, with private sector employment rising at the slowest rate in over 2 years. From an inflationary front, input prices surprisingly picked up, putting the perspective of rapidly decreasing inflation into question. Wages, not necessarily in sync with the business cycle given their often-longer term nature, a prime suspect.

Annual inflation rate in the Euro Area remained steady at 5.3%, significantly above the ECB's goal and market consensus of 5.1%, a preliminary estimate showed. Energy prices decreased at a slower pace (-3.3% v -6.1%). On the other hand, inflation slowed for food, alcohol, and tobacco inflation (9.8% v 10.8%), as well as non-energy industrial goods and services. Core inflation - a highly monitored figured by the ECB – eased, dropping to 5.3% from 5.5% in the previous month.

In the U.S., the economy – while still revolving in expansionary territory – nearly stalled due to a weaker expansion in the services (50.5 v 52.3 in July) and a renewed decline in manufacturing (47.9 v 49 in July). While there was a marginal decrease in total new business, it marked the first decline since February. Furthermore, new export orders returned to contraction, driven by declining demand for goods, despite increased spending on services. The rate of job creation reached its lowest point since October 2022, reflecting ongoing evidence of spare capacity and a sharper decline in backlogs of work. Regarding prices, cost pressures intensified, but the rate of output charge inflation eased.

Annual rate of inflation in the US accelerated to 3.7% in August, from 3.2% in July and above market forecasts of 3.6%, as Oil prices which have been on the rise in the previous two months - coupled with base effects from last year - pushed inflation higher. Core inflation which excludes volatile items such as food and energy however eased to 4.3%. From the employment front, hiring for a third consecutive month came in below the 200k threshold, pointing to a gradual easing in labour market conditions. Unemployment rose to 3.8% while the labour force participation rate too increased to 62.8%. Meanwhile, the nominal wage growth showed signs of easing.

From a performance viewpoint, credit markets had a relatively weak month, with European investment grade pricing in a bleaker economic outlook, leading to negative total returns. US investment grade (-0.68%) credit underperformed European investment grade (+0.15%), but spreads were broadly unchanged versus Treasuries. High yield credit markets fared better, outperforming both investment grade and government bonds.

Fund Performance

In August, the CC High Income Bond Fund headed marginally lower, recording a loss of 0.10% from the previous month's close.

Throughout the month the Manager continued to take opportunity by re-tapping selective names which do offer value, notably, those which have only recently sought to refinance with coupons now more aligned to the current market environment. The manager has over the month increased its exposure to Iliad SA and telecommunications company; TDC.

Market and Investment Outlook

The positive momentum from the previous months came to a halt in August, as spreads briefly widened from the previous month-end, in-line with moves observed across sovereigns, notably treasuries, reflecting expectations that rates may remain higher for longer.

Minutes issued by both the ECB and Fed didn't firmly indicate whether there would be further rate increases in September. Nonetheless, the prevailing anticipation is that the upcoming hike, should there be, will possibly mark the end of a somewhat aggressive cycle, employed to mitigate the largely persistent inflationary pressures initially thought to have been transitory.

As previously conferred, the fixed-income asset class remains an attractive investment proposition. Expectations of a decorrelation phase between bonds and equities augurs well for the segment in 2023. In terms of bond picking, the Manager will continue to assess the market landscape and capitalize on attractive credit stories. Similar to actions taken in recent weeks, the Manager will continue adjusting the portfolio to align with the prevailing yield environment. From a duration perspective, the Manager maintains the view that given the as-yet sticky inflation, duration will be only increased gradually.