

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

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

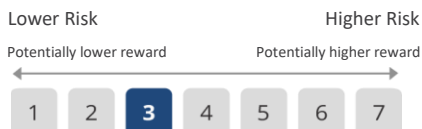
ISIN MT7000022273
 Bloomberg Ticker CCMIFAA MV

Charges

Entry Charge Up to 2.5%
 Exit Charge None
 Total Expense Ratio 1.68%
 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) 21.34
 Month end NAV in EUR 99.83
 Number of Holdings 78
 % of Top 10 Holdings 28.3

Current Yields

Underlying Yield (%) 2.86

Country Allocation¹ %

Malta	88.5
Other	11.5

¹ including exposures to CIS and Cash

Top 10 Issuers² %

GO plc	5.1
Central Business Centres	3.9
PG plc	3.7
RS2 Software plc	2.7
SD Finance plc	2.6
Hili Properties plc	2.3
Stivala Group Finance plc	2.2
Bank of Valletta plc	2.2
IHI plc	2.1
Eden Finance	2.1

² including exposures to CIS, excluding Cash

Top 10 Exposures %

PG plc	3.7
Harvest Technology plc	3.3
4% Central Business Centres 2033	3.2
3.50% GO plc 2031	2.7
3.90% Browns Pharma 2031	2.7
RS2 Software plc	2.7
4.65% Smartcare Finance plc 2031	2.6
4.35% SD Finance plc 2027	2.6
Lyxor EUR Govt. Bond 10-15YR	2.4
GO plc	2.3

Currency Allocation %

EUR	100.0
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Asset Allocation³ %

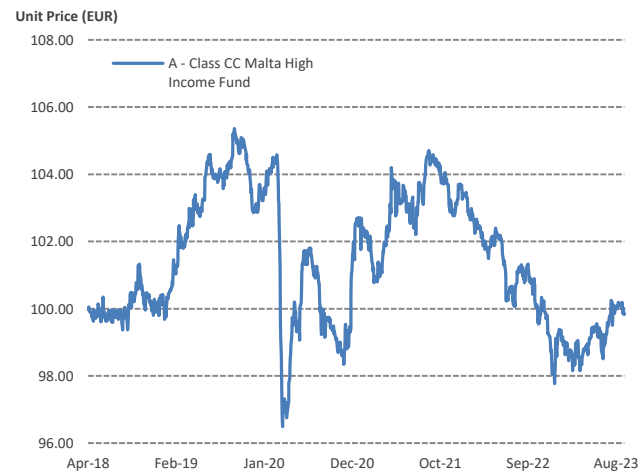
Cash	5.5
Bonds	70.0
Equities	24.5

³ including exposures to CIS

Maturity Buckets⁴ %

0 - 5 years	25.3
5 - 10 years	35.2
10 years +	4.9

⁴ based on the Next Call Date

Historical Performance to Date


Source: Calamatta Cuschieri Investment Management Ltd.

Sector Allocation³ %

Financial	49.4
Consumer, Non-Cyclical	11.6
Consumer, Cyclical	10.0
Communications	8.6
Funds	5.2
Technology	4.0
Industrial	3.2
Government	1.4
Energy	1.0

Performance History

Past performance does not predict future returns

Calendar Year Performance	YTD	2022	2021	2020	2019	Annualised Since Inception **
Total Return***	0.59	-4.29	1.07	-1.06	3.37	-0.03

Calendar Year Performance	1-month	3-month	6-month	9-month	12-month
Total Return***	-0.21	0.41	1.35	0.68	-1.07

* The Accumulator Share Class (Class A) 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.

Introduction

A widely acknowledged "higher rates for longer" view, drove yields notably higher at mid-August. Such notable uptick was however short-lived as a contraction of private-sector activity in the euro area intensified, leading investors to bet that the ECB will pause its campaign of interest-rate hikes. The European Central Bank (ECB), albeit expecting inflation "to remain too high for too long", opted not to provide forward guidance. A "data-dependent approach" was maintained.

From a performance standpoint, government bond yields of European sovereigns marginally fell (meaning prices rose), still underperforming riskier assets.

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 figure by the ECB - eased, dropping to 5.3% from 5.5% in the previous month.

In the month, Germany's benchmark 10-year yield marginally tightened, falling to 2.46% from 2.49% in the previous month. Yields of sovereigns within the Euro area's periphery proved mixed, with Italy's and Greece's heading north, closing the quarter at 4.12% and 3.77%, 2bps and 3bps higher, respectively. Spain's 10-year yield meanwhile tightened, only marginally.

Fund Performance

In August, the Malta High Income Fund registered a loss of 0.21% for the month, outperforming its internally compared benchmark which registered a negative performance of 0.87%.

Market and Investment Outlook

Moving forward, the Managers believe in maintaining a somewhat cautious stance given the current economic climate, albeit showing signs of improvement. Sustained price pressures, which may have well filtered through services, may continue to leave a negative impact on the Maltese economy, possibly hindering consumption and the forecasted pace of recovery. Such pace remains highly dependent on inbounds of tourism. A record number of visitors have indeed proved optimistic from a demand perspective, yet possibly negatively from a pricing standpoint, abetting inflationary pressures to become more embedded.

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.