EMERGING MARKET BOND FUND

SHARE CLASS C EUR (ACCUMULATOR) - FACT SHEET

Factsheet at 31st May 2025

Month end NAV as at 30th May 2025

Calamatta Cuschieri | moneybase

Investment Objective and Policies

The Fund aims to maximise the total level of return through investment, in a diversified portfolio of Emerging Market ("EM") Corporate and Government fixed income securities as well as up to 15% of the Net Assets of the Sub-Fund in EM equities. In pursuing this objective, the Investment Manager shall invest primarily in a diversified portfolio of EM bonds rated at the time of investment "BBB+" to "CCC+" by S&P, or in bonds determined to be of comparable quality. The Fund can also invest up to 10% of its assets in Non-Rated bond issues and up to 30% of its assets in Non-EM issuers. 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	MT7000021242
Bloomberg Ticker	CCEMBFC MV

Charges

Entry Charge	Up to 2.5%
Exit Charge	None
Total Expense Ratio	2.33%

Currency fluctuations may increase/decrease costs.

Risk and Reward Profile

This section should be read in conjunction with the KID

Lower Risk	Higher Risk
Potentially lower reward	Potentially higher reward

1 2 **3** 4 5 6 7

Portfolio Statistics

Total Net Assets (in $mns)	8.7
Month end NAV in EUR	79.53
Number of Holdings	46
% of Top 10 Holdings	30.1

Current Yields

Distribution Yield (%)	N/A
Underlying Yield (%)	9.51

Country Allocation[1]	%
Brazil	13.6
India	7.1
Oman	7.0
Turkey	6.9
Malta (incl. cash)	6.7
Mexico	6.3
Indonesia	6.0
United States	5.2
Saudi Arabia	4.7
United Kingdom	4.7

[1] including exposures to CIS

Credit Rating	%
From AAA to BBB-	41.9
From BB+ to BB-	36.0
From B+ to B-	7.3
CCC+	0.0
Less than CCC+	1.8
Not Rated	1.4
Average Credit Rating	**BBB-**

Top 10 Exposures	%
6.625% NBM US Holdings Inc 2029	4.7
5.8% Oryx Funding Ltd 2031	4.7
3.25% Export-Import BK India 2030	3.2
iShares JPM USD EM Bond	3.0
7.25% Gusap III LP 2044	2.5
6.033% Banco Santander SA 2035	2.4
7.45% Turkcell 2030	2.4
6.5% Petrobras Global Finance 2033	2.4
6.625% Oztel Holdings SPC Ltd 2028	2.4
5.545% Standard Chartered plc 2029	2.4

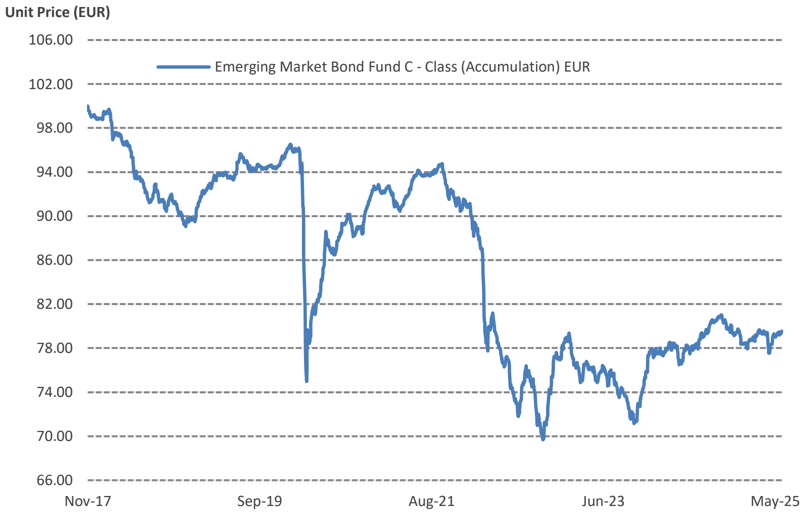
Currency Allocation	%
USD	100.0
EUR	0.0

Asset Allocation	%
Cash	6.7
Bonds (incl. ETFs)	93.3

Maturity Buckets[2]	%
0 - 5 years	40.8
5 - 10 years	37.8
10 years +	9.9

[2] based on the Next Call Date

Historical Performance to Date



Source: Calamatta Cuschieri Investment Management Ltd.

Sector Breakdown[3]	%
Sovereign	23.7
Banks	9.3
Oil&Gas	7.4
Mining	7.3
Food	4.7
Electric	4.7
Auto Parts&Equipment	2.1
Corporate ETF	1.9

[3] excluding exposures to CIS

Performance History

Past performance does not predict future returns

Calendar Year Performance	YTD	2024	2023	2022	2021	2020	Annualised Since Inception ***
Share Class C - Total Return**	1.38	0.65	1.17	-15.38	-1.72	-3.19	-2.98

Total Retun	1-month	3-month	6-month	9-month	12-month
Share Class C - Total Return**	0.37	-0.11	0.19	-1.00	2.29

* The EUR Accumulator Share Class (Class C) was launched on 03 November 2017.

** Returns quoted net of TER. Entry and exit charges may reduce returns for investors.

*** 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.

Market Commentary

Introduction

Emerging market (EM) credit posted a strong recovery in May 2025, navigating a challenging backdrop of global rate volatility, shifting US fiscal dynamics, and persistent geopolitical risks. Risk appetite improved amid relief from easing US-China trade tensions, which helped ease fears of a US recession. This supported flows into EM assets, though momentum was partially hampered by concerns over US fiscal sustainability. The resulting rise in US Treasury yields (particularly at the long end of the curve) reintroduced pressure on hard currency sovereign debt, which had only briefly benefited from the earlier improvement in risk sentiment.

Despite these crosscurrents, EM credit rebounded from April's losses. EM corporate bonds led the recovery, returning 1.39% for the month, while EM sovereign bonds posted more modest - but still positive - gains, constrained by their sensitivity to movements in US benchmark yields.

Market Environment and Performance

In May 2025, the US and China reached a temporary truce in their ongoing trade war, agreeing to a 90-day de-escalation period following high-level talks in Geneva. During this pause, the US significantly reduced its tariffs on Chinese goods, from a peak of 145% down to 30%, while China rolled back its retaliatory tariffs from 125% to 10%. The agreement also included easing export controls, particularly related to rare earth minerals, which are critical for various industries. However, despite these advancements, the truce was largely seen as a short-term arrangement rather than a definitive solution. Significant structural challenges remained unaddressed, including ongoing US technology export restrictions and visa limitations affecting Chinese students in sensitive sectors.

From a policy perspective, the People's Bank of China (PBoC) cut key lending rates to record lows at the May fixing, in line with market expectations and marking the first reduction since October. The move follows Beijing's sweeping monetary easing measures announced earlier this month to bolster a sluggish economy and cushion potential fallout from the ongoing trade tensions with the U.S. The one-year loan prime rate (LPR), the benchmark for most corporate and household loans, was lowered by 10bps to 3.0%, while the five-year LPR, which guides mortgage rates, was cut by the same margin to 3.5%.

In economic numbers, China's General Composite PMI to 49.6 in May 2025 from 51.1 in the previous month, marking the first contraction in private sector activity since December 2022. While the services sector experienced a modest improvement, a sharper decline in manufacturing pulled the overall index down. New orders continued to contract, with foreign demand remaining weak across both sectors. Meanwhile, China's consumer prices dropped by 0.1% YoY in May 2025, matching the declines seen in the previous two months and slightly outperforming expectations of a 0.2% decrease. This marked the fourth consecutive month of consumer deflation, underscoring ongoing challenges from trade tensions with the US, sluggish domestic demand, and concerns over job stability.

In Latin America, the economic landscape is experiencing a period of modest economic growth, with regional disparities influenced by domestic policies, external trade dynamics, and structural challenges. In numbers, Brazil's economy expanded by 1.4% from the previous quarter of 2025, the most in three quarters, and in line with market expectations. The sharp growth magnitude was carried by an expansion in gross fixed capital formation, despite the restrictive interest rates set by the Central Bank of Brazil as they attempt to tackle above-target inflation and expansionary fiscal policy. Meanwhile, Mexico expanded by 0.2% from the previous quarter aligning with a preliminary estimate. On an inflation front, price pressures, albeit remaining were mixed with Mexico observing a notable rise. Headline inflation rose to 4.42% in Mexico, from a previous month 3.93%. In both Brazil and Chile, inflation eased to 5.32% and 4.40%, respectively.

In Asia, India - on the contrary - saw its sixth consecutive slowdown, reaching the lowest inflation rate since July 2019, strengthening the case for additional rate cuts by the central bank. In response, the Reserve Bank of India (RBI lowered its key repo rate by 50bps to 5.50% at its May meeting (larger than market expectations of a 25bps reduction) while shifting its policy stance from accommodative to neutral.

Fund Performance

The CC Emerging Market Bond Fund recorded a return of 0.75% in May, outperforming its internally compared benchmark.

In response to ongoing market volatility and expectations of a prolonged period of elevated Federal Reserve policy rates, the portfolio manager continued to actively manage risk and yield. After reducing exposure to tariff-sensitive issuers, increasing allocations to income-generating securities, and mitigating interest rate duration in the previous months, the manager rotated holdings within the same issuers, executing both investments and divestitures in names such as HSBC and Republic of Turkiye. Additionally, the fund opened an exposure to the sovereign owned Abu Dhabi Development HO.

Market and Investment Outlook

Looking ahead, fixed income markets are likely to remain sensitive to the ongoing impact of tariff developments. The contraction in U.S. Q1 GDP, driven largely by a pre-emptive surge in imports ahead of anticipated price hikes, appears to reflect temporary distortions rather than a broader economic slowdown. However, the longer-term inflationary effects of elevated input costs and potential supply chain disruptions could complicate the Federal Reserve's policy outlook. If inflation remains sticky, the Fed may be compelled to delay or scale back the pace of rate cuts currently priced in by markets. Conversely, signs of weakening demand and slowing growth could strengthen the case for eventual policy easing. A dovish Fed stance would likely reinforce recent U.S. dollar depreciation - a trend that has persisted in recent weeks - which could offer relief to emerging market economies by easing external debt burdens and improving capital flows.

For the CC Emerging Market Bond Fund, the portfolio manager will maintain a dynamic approach, actively assessing the evolving market landscape to capitalize on attractive credit opportunities. Consistent with recent strategies, portfolio adjustments will be made to align with prevailing yield conditions and optimize duration, as deemed prudent. Furthermore, the manager will vigilantly monitor the constantly evolving geopolitical tensions, particularly the potential for escalating tensions, which continue to present a source of market uncertainty.

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