

HSBC Malta Funds SICAV p.l.c.

Interim Report and Unaudited Financial Statements

1 April 2023 – 30 September 2023

Company Registration Number: SV 2

HSBC Malta Funds SICAV p.l.c.

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HSBC Malta Funds SICAV p.l.c.

Directors, officers and other information

For the period ended 30 September 2023

Directors

Mr. Steven Tedesco Chartered FCSI (Chartered Fellow of the Chartered Institute for Securities & Investments)

Dr. Richard Bernard B.A., LL.D.

Ms. Lisa Vella, Chartered Financial Analyst (CFA)

Manager

HSBC Global Asset Management (Malta) Limited

Operations Centre,

80 Mill Street,

Qormi, QRM 3101,

Malta.

Fund Administrator and Registrar

HSBC Securities Services (Ireland) DAC

1, Grand Canal Square,

Grand Canal Harbour,

Dublin 2 D02P820,

Ireland.

Secretary

Ganado Services Limited

171, Old Bakery Street,

Valletta VLT 1455,

Malta.

Registered Office

171, Old Bakery Street,

Valletta VLT 1455,

Malta.

Company Registration Number

SV 2

Depository/ Custodian

Sparkasse Bank Malta p.l.c.

101, Town Square,

Ix-Xatt ta' Qui-Si-Sana,

Sliema, SLM 3112,

Malta.

HSBC Malta Funds SICAV p.l.c.

Directors, officers and other information (continued)

For the period ended 30 September 2023

Sub-Custodian

HSBC Continental Europe
38, Avenue Kléber,
75116, Paris,
France.

Legal Advisers

Ganado Advocates
171, Old Bakery Street,
Valletta VLT 1455,
Malta.

Independent Auditors

PricewaterhouseCoopers
78, Mill Street, Zone 5,
Central Business District,
Qormi CBD 5090,
Malta.

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Manager's Report

For the period ended 30 September 2023

Investment Manager's Report

The Investment Manager's Report provides an overview of the domestic and international markets, as well as the underlying economic and political developments that affected market dynamics during the period from 31 March 2023 till 30 September 2023. It provides a commentary on each Fund, outlining the key performance drivers, investment activity, and strategy, as well as the medium to long-term outlook.

Domestic Economic and Market Review

Over the period under review, the Maltese economy proved to be resilient under a backdrop of deteriorating macro-economic conditions and managed to maintain positive growth momentum post the removal of COVID-19 related restrictions. The leading news headline both locally and internationally was the continued fight against inflation with prices for goods and services increasing materially over the past couple of years. In this context, the European Central Bank (ECB), which determines central bank interest rates across the Eurozone, embarked on an aggressive hiking cycle taking the benchmark interest rate to 4.5% as at 30 September 2023, a total of 1.5% increase in rates over the past six months.

In reaction to tightening financial conditions, the Maltese inflation rate as measured by the Harmonised Index of Consumer Prices (HICP) continued to trend downwards, dropping from the 7.1% registered in March 2023 to 4.9% by the end of the six-month period under review. This positive development is further amplified by the local economic growth observed since the start of 2023, with Malta's economy growing by 3.1% in Q1 2023 and another 3.9% in Q2 2023.

Malta has been a relative outperformer across the old continent, with both the broader Eurozone and its largest economy, Germany, having officially been in recession over the first half of 2023. Behind such economic performance stands a still strong Maltese consumer, propped up by an ever-tight labour market with the unemployment rate holding steadily at 2.7%, of the lowest levels across observed Europe. Government aid in the form of continued energy subsidies, which sheltered local households from the volatility observed across energy prices worldwide, also contributed positively to household financial strength.

In this regard, the Maltese government's fiscal budget amounted to a deficit €981 million or around 5.8% of Malta's Gross Domestic Product (GDP) as per the first reporting of 2023 from the National Statistics Office. The Maltese Treasury dipped its hand in the local capital markets twice over the period under review to finance such imbalance, bringing total government debt to just above €9 billion. Malta's relative indebtedness is still significantly lower when compared to its European peers, with local debt to GDP standing at 53.4% versus the Eurozone's average of 91.4%, figures as at the end of 2022.

Tourism has also been a key factor behind the resilience of the Maltese economy with passenger movements exceeding their relative 2019 figures for eight consecutive months, stretching from January to August of this year. The latest figures posted by the Malta International Airport show a total of 878,462 passengers for August 2023 representing an increase of 6.7% against the pre-covid figure of August 2019. The passenger movements at MIA between January 2023 and August 2023 amounted to €5.16 million, representing an increase of 5.9% over the corresponding period in 2019 and 37.8% above the passenger traffic recorded in the same period last year.

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Manager's Report (continued)

For the period ended 30 September 2023

In view of such positive economic performance and future growth prospects, international credit rating agencies have reaffirmed their strong ratings with regards to Malta's credit quality profile. In May of 2023, Moody's kicked off proceedings affirming it's A2 rating for Malta with a stable outlook, following the upgrade in outlook issued in November of 2022. Subsequently, in June of 2023, Standard & Poor's also affirmed it's A- credit rating along with a stable outlook, this was then followed by an affirmation from Fitch in September of 2023, at a credit rating of A+ with a stable outlook.

It is safe to say that Malta has managed to weather the storm relatively well over the past couple of years, with the country now poised for future economic growth in the years to come. In fact, the Central Bank of Malta (CBM) assumes GDP growth of 3.6% for both 2024 and 2025, forecasting continued outperformance against the broader Euro area economy which, as per the ECB's projections, is expected to grow by 1% and 1.5% in 2024 and 2025, respectively.

Malta Stock Exchange Listed Equities Performance

MSE-Listed Equities	31-Mar-23	30-Sep-23	Change in Price (%)
Maltex Total Return Index	€7,393.91	€7,862.52	6.34%
APS Bank plc	€0.63	€0.60	-4.77%
AX Real Estate plc	€0.48	€0.45	-6.44%
Bank of Valletta Plc	€0.89	€1.22	36.65%
BMIT Technologies	€0.46	€0.41	-10.46%
FIMBank Plc	€0.18	€0.22	22.22%
GO Plc	€2.97	€2.74	-7.82%
Grand Harbour Marina Plc	€0.41	€0.60	44.69%
Harvest Technology Plc	€1.40	€0.53	-61.89%
Hili Properties plc	€0.23	€0.20	-9.82%
HSBC Bank Malta Plc	€1.02	€1.17	14.78%
International Hotels Inv. Plc	€0.57	€0.51	-10.54%
LifeStar Holding plc	€0.50	€1.00	101.21%
LifeStar Insurance plc	€0.50	€0.20	-59.80%
Lombard Bank plc	€0.92	€0.80	-13.25%
Loqus Plc	€0.21	€0.15	-29.19%
M&Z Plc	€0.64	€0.65	1.56%

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Manager's Report (continued)

For the period ended 30 September 2023

MSE-Listed Equities	31-Mar-23	30-Sep-23	Change in Price (%)
Mainstreet Complex plc	€0.37	€0.41	10.85%
Malita Investments Plc	€0.62	€0.58	-6.76%
Malta International Airport	€5.56	€5.58	0.36%
Malta Properties Company Plc	€0.43	€0.39	-8.39%
MaltaPost Plc	€0.45	€0.41	-9.11%
Mapfre Middlesea Ins plc	€1.63	€1.26	-22.59%
Medserv Plc	€0.74	€0.64	-13.53%
MIDI Plc	€0.28	€0.23	-17.56%
PG Plc	€1.97	€2.05	3.91%
Plaza Centres Plc	€0.73	€0.65	-10.97%
RS2 Software Plc	€1.06	€1.17	9.92%
RS2 Software plc Pref	€1.40	€1.40	0.15%
Santumas Shareholdings Plc	€1.28	€1.28	0.00%
Simonds Farsons Cisk Plc	€6.80	€6.85	0.74%
VBL Plc	€0.24	€0.23	0.00%
The Convenience Shop Holding plc	€0.97	€1.03	6.29%
Tigne Mall Plc	€0.75	€0.82	9.05%
Trident Estates Plc	€1.25	€1.20	-4.08%
Source: Third Party Independent Valuation			

The Maltex Total Return Index closed the period under review with a positive return of 6.34% with such performance being primarily attributable to the positive returns registered by local banks, enjoying positive company specific developments along with a favourable higher interest rate environment. Specifically, shares of HSBC, BOV, and Lombard were amongst the best performers returning +14.78%, +36.65% and +22.22% respectively. In addition, companies exposed to tourism and discretionary spending such as Grand Harbour Marina and Tigne Mall also performed well supported by a strong local economy and rebound in tourism, returning +44.69% and +9.05% respectively. On the other hand shares of Harvest Technologies were the worst performers over the past 6 months losing -61.89%, followed by steep losses in the shares of Loqus, Mapfre Middlesea and MIDI, returning -29.19%, -22.59% and -17.56% respectively.

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The performance of the local fixed-income market during the period under review was negative albeit more resilient when compared to the performance of international fixed-income markets. Locally listed corporate bonds registered better returns when compared to Malta Government Stocks (MGSs), with yields increasing materially over the past six months having a more profound negative effect on the treasury market. The Maltese government bond yield curve shifted to a higher level across all tenures, experiencing a slight flattening effect from its previous upward sloping shape as yields on the shorter end increased by a larger magnitude than the yields on the longer end. During the period under review, six new issuers tapped the bond market namely Bonnici Bros. Properties plc (€12.0 mil.), AST Group plc (€8.5 million), Juel Group plc (€32 million), JD Capital plc (€11 million), Mediterranean Investments Holdings plc (€20 million) and ClearFlow plc (€25 million).

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Manager's Report (continued)

For the period ended 30 September 2023

Selected MSE-Listed Corporate Bonds			
Security	31-Mar-23	30-Sep-23	Change in Yield (bps)
IHI 5.8% 2023	4.10%	5.52%	142
AX 6% 2024	5.61%	4.66%	-95
TUMAS 5% 2024	5.07%	4.39%	-68
HILIPROP 4.5% 2025	4.48%	5.27%	79
IHI 5.75% 2025	5.24%	4.75%	-49
MDSMV 4.5% 2026	6.55%	5.98%	-57
PRMCPT 3.75% 2026	4.36%	4.63%	27
BOV 3.5% 2030	4.37%	4.57%	20

Source: Bloomberg L.P.

Generic Yields On Selected MGS Tenors			
Tenor	31-Mar-23	30-Sep-23	Change in Yield (bps)
2 years	3.05%	3.73%	68
5 years	3.15%	3.90%	75
10 years	3.47%	4.11%	64
15 years	3.73%	4.40%	67
20 years	3.90%	4.51%	61
25 years	3.97%	4.65%	68

Source: Bloomberg L.P.

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Manager's Report (continued)

For the period ended 30 September 2023

International Economic and Market Review

Over the six-month period under review ending 30 September 2023, international equity markets' performance was positive and continued to trend upwards building on top of the favourable momentum from the start of the year.

This is evidence by the 5.80% return generated by the FTSE All World, however, on closer inspection, one can observe material regional and sectoral divergences in market returns as distinct macro-economic developments drove markets in different directions across the globe.

The US was once again the relative outperformer, with the S&P 500 index returning 8.08% over the period under review. The Federal Reserve (FED), continued its tightening of monetary policy, hiking its benchmark interest rate by an additional 75bps to 5.5% as at 30 September 2023, with this translating into a continued moderation of inflation from 5% to 3.7% over the past 6 months. This level of inflation, although materially lower than the levels observed over the past couple of years is still admittedly at uncomfortably high levels, with the FED reiterating multiple times that it will do whatever is necessary to bring inflation down to its targeted 2% annual rate.

In fact, stickier inflation has prompted the FED to revise downwards its expectation of interest rate cuts in 2024, published in its financial forecasts publication, the Beige Book, from a previous 4 or a total of 100bps to 2 or a total of 50bps. This, along with other unfavourable macro-economic developments with regards to the fight against inflation, such as, the continued underlying strength of the US economy, the large US fiscal budget deficit, the credit rating downgrade of US sovereign debt by Fitch, the increase in oil prices and the increased geopolitical tensions drove yields higher as the market started pricing in a higher for longer interest rate scenario as the base case. In reaction to these movements, equities, which were buoyed up by positive investor sentiment and satisfactory corporate earnings started to exhibit signs of weakness as their risk/reward profile deteriorated relative to increasing yields on government bonds.

Europe was the relative underperformer with the EuroStoxx 600 returning just 0.60% over the period under review as the old continent grappled with a mild recession over the start of the year amid continued tightening of monetary policy. In this regard, the ECB raised its benchmark rate for the Eurozone by 150bps to 4.5% until the end of September of 2023 while inflation moderated from 6.9% to 4.3% over the same six-month period.

Consumer confidence and Purchasing Managers Indexes (PMIs) across the continent, which are leading indicators of economic activity, were previously bolstered by a strong rebound in tourism post the removal of COVID-19 related restrictions, however these have deteriorated materially over the past six months and are now in contractionary territory. To make matters worse, the expected return to growth of one of Europe's largest trading partners, China, which was bolstering investor sentiment towards European financial markets, hasn't materialized and as such has resulted in a major headwind for corporate valuations across Europe.

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Manager's Report (continued)

For the period ended 30 September 2023

In this regard, the MSCI Asia excluding Japan index had a negative performance of -1.77% over the period under review as China, the world's second largest economy, grapples with the continued threat of deflation post lacklustre economic performance since the removal of COVID-19 related restrictions, further exacerbated by the liquidity issues faced by some of the country's largest real estate developers which soured investor sentiment and weighed on financial market performance. Its neighbour, Japan, on the other hand registered returns of +4.55% over the same period as low corporate valuations and a weakening Japanese Yen attracted continued foreign investment.

Closer to home, the United Kingdom registered a return of +3.24% as the market's expectation of an overly hawkish Bank of England (BoE) subsided to a more optimistic view in response to a quick moderation in the country's inflation.

Global emerging markets (EM) returned +0.84% over the period under review as measured by the MSCI Emerging Market Index amid improving economic fundamentals and the easing of monetary policy in some regions. Nevertheless, the interdependencies between emerging markets and developed markets, namely the US and Europe, promises to act as a drag on EM performance in the near future as the latter's economies are expected to remain relatively weak amid contractionary financial conditions which are hampering demand.

Equity Indices	Total Return (%)*
FTSE All World Index (EUR)	5.80%
S&P 500 Index (EUR)	8.08%
FTSE 100 Index (EUR)	3.24%
STOXX Europe 600 Index (EUR)	0.60%
Japan Nikkei 225 Average (EUR)	4.55%
MSCI AC Asia Ex. Japan Index (EUR)	-1.77%
MSCI Emerging Market Index (EUR)	0.84%

Source: Bloomberg L.P.

*Covering the period from 31st March 2023 to 30th September 2023

Moving on to the fixed income market, during the period under review, yields shifted materially higher across developed markets' sovereign debt as the expectation of a higher for longer interest rate scenario started picking up steam as the base case scenario and consequentially was reflected in bonds' prices. In addition to this, upward pressure on yields was also exerted by an uptick in the prices of oil, which is an input cost to most major industries and could potentially result in even stickier inflation along with heightened global geopolitical tensions. Corporate Investment grade bonds followed the move observed in global sovereign bonds while corporate high yield debt outperformed due to a lessor sensitivity to interest rate movements and a slight hold to maturity bias of investors.

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Manager's Report (continued)

For the period ended 30 September 2023

Developed Market 10-Year Bond Yields			
Country	31-Mar-23	30-Sep-23	Change in Yield (bps)
US	3.47%	4.57%	110
UK	3.49%	4.44%	95
Germany	2.29%	2.84%	55
Italy	4.10%	4.78%	69
Spain	3.30%	3.93%	63
Japan	0.35%	0.77%	41

Source: Bloomberg L.P.

The yields on Maltese sovereign debt also increased over the period under review, although to a lesser extent when compared to international peers with the Maltese government bonds proving to be more resilient. The Maltese economy has also been outperforming its European peers, buoyed up by a low unemployment rate, tight labour market and a strong rebound in the local tourism sector. The local inflation rate continued trending downwards to a latest reading of 5% in August 2023 as per the HICP.

Generic Yields On Selected MGS Tenors			
Tenor	31-Mar-23	30-Sep-23	Change in Yield (bps)
2 years	3.05%	3.73%	68
5 years	3.15%	3.90%	75
10 years	3.47%	4.11%	64
15 years	3.73%	4.40%	67
20 years	3.90%	4.51%	61
25 years	3.97%	4.65%	68

Source: Bloomberg L.P.

Having outlined the market and economic developments that materialised during the reporting period, the rest of this report highlights the performance, activity, strategy, and outlook for each of the Funds. The commentary for each Fund is presented under a separate heading.

Malta Government Bond Fund

Fund Performance

During the period under review, the unit price of the Accumulator shares in the Malta Government Bond Fund decreased by 1.89% from €437.01 as at 31 March 2023¹ to €428.74 as at 30 September 2023¹.

¹ Prices are based on the last dealing date of the year under review.

HSBC Malta Funds SICAV p.l.c.

Manager's Report (continued)

For the period ended 30 September 2023

During the period under review, the Fund paid the following dividends to the holders of the Income shares –

- €1.185 per share declared on 30 June 2023
- €1.229 per share declared on 30 September 2023

Higher for longer interest rate expectations and stickier inflation pushed Malta's government stocks (MGSs) to lower levels. In view of the market developments over the past year, the fund manager has been cautiously adding duration to the portfolio as we approach the end of the monetary tightening cycle in the Eurozone.

The fund continued to liquidate shorter maturity issues to rotate into longer dated bonds along with adding specific foreign sovereign exposure at attractive risk reward profile. Looking forward, the manager will continue to cautiously add duration to the fund's portfolio in line with economic and market developments in an effort to potentially reap the benefits of capital appreciation in view of the expected loosening of monetary conditions in the coming years.

Malta Bond Fund

Fund Performance

During the period under review, the unit price of the Accumulator shares in the Malta Bond Fund increased 0.57% from €631.20 as at 31 March 2023¹ to €634.78 as at 30 September 2023¹¹.

During the period under review, the Fund paid the following dividends to the holders of the Income shares –

- €2.278 per share declared on 30 June 2023
- €2.394 per share declared on 30 September 2023

During the 6-months ending 30 September 2023, the Fund outperformed international bond markets due to its exposure to Maltese sovereign and corporate debt.

The local new issues in the local corporate market are running strong with a healthy number of new issues and issuers coming to market. With the increase in local corporate issuance, the ability to be more selective (more alternatives to invest in rather than MGSs) should continue to contribute to performance by improving diversification and returns.

Looking forward, the fund manager continues to closely follow macro-economic developments both on a local and international level. During the period under review, the fund reduced shorter dated MGS holdings to rotate into longer dated ones and also added selective international bond exposures which presented attractive risk reward profiles. Over the long-term, the manager continues to be positive on duration and adding such to the portfolio in a cautious manner, with sector weightings likely adjusted while also managing credit exposures, term buckets, duration, and reinvestment risks, attempting to generate positive returns through capital appreciation and interest income.

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Manager's Report (continued)

For the period ended 30 September 2023

International Bond Fund

Fund Performance

During the period under review, the unit price of the Accumulator Shares of the International Bond Fund increased by 1.57% from €423.17 as at 31 March 2023¹ to €428.68 as at 30 September 2023¹.

During the period under review, the Fund paid the following dividends to the holders of the Income Share Class –

- €1.058 per share declared on 30 June 2023
- €1.521 per share declared on 30 September 2023

Over the 6 months ending 30 September 2023, the Fund Manager continued to cautiously add duration to the portfolio while aiming to maintain or even improve the underlying credit quality and managing sector specific exposures in view of the economic slowdown on the back of tighter financial conditions.

Looking forward, the fund will continue to reposition the portfolio in accordance with the fund's objectives and restrictions as specified in the prospectus, while also closely monitoring the evolution of inflation expectations and its impact on major central banks policy meetings and discussions in order to evaluate the duration positioning of the fund. Over the longer-term, focus will remain on careful selection and monitoring of a globally diversified portfolio of credit exposures (sovereign and corporate) to achieve capital appreciation through a mix of interest income and capital gains.

Maltese Assets Fund

Fund Performance

During the period under review, the unit price of the Accumulator shares in the Maltese Assets Fund registered a gain of 4.16% from €551.02 as of 31 March 2023¹ to €573.94 as of 30 September 2023¹.

During the period under review, the Fund paid the following dividends to the holders of the Income shares class –

- €2.958 per share declared on 30 June 2023
- €2.133 per share declared on 30 September 2023

Despite the challenging environment, the fund registered a solid positive return which compares very favourably to the overall market performance and with most developed markets indices. The reason for the positive relative performance of the MAF was that the fund manager opted early on since March 2022 for a more defensive allocation by maintaining a lower exposure to International Equity Markets and Government bonds compared to prior years, while keeping the fund primarily invested in quality Maltese listed equities that offer attractive valuations and to local corporate bonds which did not exhibit significant price depreciation while also offering attractive yields.

Looking forward, the Fund Manager maintains preference to the local equity market when compared to local corporate bonds due to more attractive valuation. The Fund Manager will also be looking to diversify the Fund's holdings into the international corporate bonds as they offer better risk reward profiles while closely monitoring both local and international macro-economic developments.

HSBC Malta Funds SICAV p.l.c.

Manager's Report (continued)

For the period ended 30 September 2023

Equity Growth Fund

Fund Performance

During the period under review, the unit price of the Accumulator shares in the Equity Growth Fund increased by 4.46% from €349.38 as of 31 March 2023¹ to €364.97 as of 30 September 2023¹.

Despite the challenging macro-economic developments over the period under review, the fund performed relatively well during what was a very turbulent period for Global Equity markets. Changing inflation expectations have now shifted markets' perceptions towards a base case scenario of a higher for longer interest environment which has eroded the positive momentum observed since the start of the year for international equities. In addition to such a headwind to corporate valuations, tight financial conditions continue to hinder expectations for near term economic growth which, when combined with increasing bond yields and heightened geopolitical tensions, paint a negative outlook for Global Equity markets. These have started to show weakness in Q3 2023 as these developments have started weighing down investor's sentiment and prompting a rotation away from the asset class.

In this context, the manager continues to prefer a defensive equity allocation given the extended valuations of equities in developed markets. In this regard, the manager is also positive on specific emerging markets which offer relatively attractive valuations and enjoy improving underlying economic conditions.

As such the manager will continue to be selective in terms of which areas within international markets to invest and in security selection which will continue to favour defensive and quality names. All the while closely following macro-economic developments for a potential rotation into the sectors and names that will stand to benefit the most from the subsequent recovery and easing of monetary policy.

Compliance with Directive (EU) 2017/828

Directive (EU) 2017/828 amending Directive 2007/36/EC has been issued with the objective of encouraging long term shareholder engagement.

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Comparative table

	Malta Bond Fund	International Bond Fund*		Equity Growth Fund**	Malta Government Bond Fund	Maltese Assets Fund
	EUR	EUR	GBP	EUR	EUR	EUR
Net Asset Value as at:						
30 September 2023	115,869,384	50,059,779	-	37,288,308	56,436,397	51,819,988
31 March 2023	119,442,072	49,874,172	-	32,700,462	61,366,077	49,423,378
31 March 2022	141,301,392	53,804,757	-	28,925,806	84,839,951	47,282,063
31 March 2021	154,355,131	56,748,274	-	25,352,742	108,451,454	46,247,993
Net Asset Value per unit (using mid-market prices) as at: (Accumulator Class / Income Class)						
30 September 2023	634.78 / 381.30	428.68 / 264.52	372.12 / 229.30	364.97	428.74 / 279.91	573.94 / 445.56
31 March 2023	631.20 / 383.80	423.17 / 263.68	372.11 / 231.54	349.38	437.01 / 287.76	551.02 / 432.64
31 March 2022	656.41 / 407.80	437.56 / 276.08	370.04 / 233.13	370.73	480.90 / 321.14	567.52 / 448.45
31 March 2021	673.97 / 425.80	454.59 / 289.53	387.53 / 246.45	345.05	520.43 / 351.35	578.23 / 459.98
	Units	Units	Units	Units	Units	Units
Number of units in circulation:						
30 September 2023	188,964	118,369	-	102,169	138,046	90,401
31 March 2023	195,763	119,479	-	93,595	147,118	89,803
31 March 2022	222,451	124,771	-	78,024	183,723	83,428
31 March 2021	236,710	126,779	-	73,474	216,360	80,096

As at the financial reporting date, the accumulator factor on the Malta Bond Fund, International Bond Fund, Malta Government Bond Fund and Maltese Assets Fund stood at 1.664778 (31 March 2023: 1.644607), 1.620596 (31 March 2023: 1.604862), 1.531707 (31 March 2023: 1.518661) and 1.288132 (31 March 2023: 1.273622) respectively.

* In accordance with the Prospectus, where a Fund has one or more Currencies of Expression apart from the Base Currency, the Net Asset Value per unit for that Fund shall, after the calculation thereof be made in the Base Currency, and also converted into and expressed in the applicable Currency of Expression at the appropriate commercial rates of exchange applicable on the relevant Dealing Day. In view of this, the highest and lowest quoted prices for the sterling variant are stated having regard to exchange movements.

** The Equity Growth Fund has an accumulator class of shares only (Class A and Class B).

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Comparative table (continued)

	Malta Bond Fund	International Bond Fund		Equity Growth Fund	Malta Government Bond Fund	Maltese Assets Fund
ACCUMULATOR SHARES	EUR	EUR	GBP	EUR	EUR	EUR
Price movement from 1 April 2023 (first Dealing Day of period) to 29 September 2023 ² (last Dealing Day of period):						
<u>Malta Bond Fund</u>						
- Highest quoted price (on 24 August 2023)	637.56	-	-	-	-	-
- Lowest quoted price (on 20 April 2023)	629.98	-	-	-	-	-
<u>International Bond Fund</u>						
Highest quoted price in:						
- GBP (on 25 April 2023)	-	-	374.83	-	-	-
- EUR (on 14 September 2023)	-	430.27	-	-	-	-
Lowest quoted price in:						
- GBP (on 11 July 2023)	-	-	361.24	-	-	-
- EUR (on 13 April 2023)	-	422.08	-	-	-	-
<u>Equity Growth Fund</u>						
- Highest quoted price (on 31 July 2023)	-	-	-	372.20	-	-
- Lowest quoted price (on 04 May 2023)	-	-	-	346.85	-	-
<u>Malta Government Bond Fund</u>						
- Highest quoted price (on 06 April 2023)	-	-	-	-	437.17	-
- Lowest quoted price (on 28 September 2023)	-	-	-	-	428.52	-
<u>Maltese Assets Fund</u>						
- Highest quoted price (on 08 August 2023)	-	-	-	-	-	590.71
- Lowest quoted price (on 03 April 2023)	-	-	-	-	-	549.14

² 30 September is not a dealing date

HSBC Malta Funds SICAV p.l.c.

Comparative table (continued)

INCOME SHARES	Malta Bond Fund	International Bond Fund		Malta Government Bond Fund	Maltese Assets Fund
	EUR	EUR	GBP	EUR	EUR
Price movement from 1 April 2023 (first Dealing Day of period) to 29 September 2023 ² (last Dealing Day of period):					
<u>Malta Bond Fund</u>					
- Highest quoted price (on 16 May 2023)	385.38	-	-	-	-
- Lowest quoted price (on 04 July 2023)	381.06	-	-	-	-
<u>International Bond Fund</u>					
Highest quoted price in:					
- GBP (on 25 April 2023)	-	-	233.23	-	-
- EUR (on 14 September 2023)	-	267.04	-	-	-
Lowest quoted price in:					
- GBP (on 11 July 2023)	-	-	223.88	-	-
- EUR (on 11 July 2023)	-	262.89	-	-	-
<u>Malta Government Bond Fund</u>					
- Highest quoted price (on 06 April 2023)	-	-	-	287.87	-
- Lowest quoted price (on 29 September 2023)	-	-	-	279.91	-
<u>Maltese Assets Fund</u>					
- Highest quoted price (on 08 August 2023)	-	-	-	-	460.77
- Lowest quoted price (on 03 April 2023)	-	-	-	-	431.17

HSBC Malta Funds SICAV p.l.c.

Comparative table (continued)

	Malta Bond Fund	International Bond Fund		Equity Growth Fund	Malta Governmen t Bond Fund	Maltese Assets Fund
ACCUMULATOR SHARES	EUR	EUR	GBP	EUR	EUR	EUR
Price movement from 1 April 2022 (first Dealing Day of period) to 30 September 2022 (last Dealing Day of period):						
<u>Malta Bond Fund</u>						
- Highest quoted price (on 04 April 2022)	657.55	-	-	-	-	-
- Lowest quoted price (on 29 September 2022)	636.70	-	-	-	-	-
<u>International Bond Fund</u>						
Highest quoted price in:						
- GBP (on 26 September 2022)	-	-	384.07	-	-	-
- EUR (on 16 August 2022)	-	439.22	-	-	-	-
Lowest quoted price in:						
- GBP (on 14 April 2022)	-	-	361.55	-	-	-
- EUR (on 21 June 2022)	-	425.02	-	-	-	-
<u>Equity Growth Fund</u>						
- Highest quoted price (on 04 April 2022)	-	-	-	374.29	-	-
- Lowest quoted price (on 29 September 2022)	-	-	-	338.21	-	-
<u>Malta Government Bond Fund</u>						
- Highest quoted price (on 04 April 2022)	-	-	-	-	482.18	-
- Lowest quoted price (on 28 September 2022)	-	-	-	-	435.84	-
<u>Maltese Assets Fund</u>						
- Highest quoted price (on 05 May 2022)	-	-	-	-	-	583.63
- Lowest quoted price (on 20 April 2022)	-	-	-	-	-	563.83

HSBC Malta Funds SICAV p.l.c.

Comparative table (continued)

INCOME SHARES	Malta Bond Fund	International Bond Fund		Malta Government Bond Fund	Maltese Assets Fund
	EUR	EUR	GBP	EUR	EUR
Price movement from 1 April 2022 (first Dealing Day of period) to 30 September 2022 (last Dealing Day of period):					
<u>Malta Bond Fund</u>					
- Highest quoted price (on 04 April 2022)	408.51	-	-	-	-
- Lowest quoted price (on 30 September 2022)	392.09	-	-	-	-
<u>International Bond Fund</u>					
Highest quoted price in:					
- GBP (on 26 September 2022)	-	-	241.39	-	-
- EUR (on 04 April 2022)	-	276.85	-	-	-
Lowest quoted price in:					
- GBP (on 14 April 2022)	-	-	227.78	-	-
- EUR (on 30 September 2022)	-	267.11	-	-	-
<u>Malta Government Bond Fund</u>					
- Highest quoted price (on 04 April 2022)	-	-	-	322.00	-
- Lowest quoted price (on 30 September 2022)	-	-	-	290.14	-
<u>Maltese Assets Fund</u>					
- Highest quoted price (on 05 May 2022)	-	-	-	-	461.18
- Lowest quoted price (on 20 April 2022)	-	-	-	-	445.53

HSBC Malta Funds SICAV p.l.c.

Report of the Directors

For the period ended 30 September 2023

The Directors present their interim report and the financial statements of HSBC Malta Funds SICAV p.l.c. ('the Company') for the six-month period ending 30 September 2023.

Principal activities

The Company is an open-ended collective investment scheme organised as a multi-fund public limited liability company with variable share capital registered under the Laws of Malta and licensed by the Malta Financial Services Authority (MFSA) in terms of the Investment Services Act (Chapter 370, Laws of Malta). The Company qualifies as a 'Maltese UCITS' in terms of the Investment Services Act (Marketing of UCITS) Regulations (S.L. 370.18, Laws of Malta). As such, the Company aims to provide investors with a choice of Sub-Funds having diverse investment objectives and investing in a range of assets. The objectives of each Sub-Fund are further described in the Manager's Report.

Business review and future developments

Over the past six-month period under review, has been characterised by continuous shifts in investors' sentiment across all capital markets driven primarily by changes in interest rate expectations amid different inflationary pressures and regional economic environments across the globe.

During the initial months of this calendar year, major western economies, in particular the USA, continued to exhibit resilient economic growth, this despite one of the most aggressive monetary tightening cycles ever embarked onto by two of the world's major central banks, the Federal Reserve (FED) in the United States (US) and the European Central Bank (ECB) in Europe. Such underlying economic resilience has however proven to be a double-edged sword prompting a continuation of interest rate hikes over the following months. In fact, between March and September 2023, the FED raised its benchmark rate by another 75bps to 5.5% whilst the ECB raised its benchmark rates by 150bps to 4.0%.

These aggressive monetary tightening cycles have however been effective in controlling inflationary pressures and in fact, over the period under review, the annual headline rate of inflation in the US declined from 5% to 3.7%, whilst in the Eurozone, it declined from 6.9% to 4.3%. Nevertheless, inflationary pressures remain uncomfortably high, a message which has been continuously reiterated by the central banks on both sides of the Atlantic and now, the previous 100 bps rate cut by the FED expected by most prominent economists during 2024 has been revised downwards to 50bps.

The pricing in of this new reality, a 'higher for longer' interest rate environment, has been one of the main macro-economic factors driving financial market performances during the six-month period under review, but it was far from being alone. In the US, investors have had to face a mini banking crisis prompted by the insolvencies of Silicon Valley Bank, First Republic Bank and Signature Bank amongst others, marking the biggest bank failure since 2008. Although this promised to become a 'déjà vu' moment for financial markets, the FED was quick in reshoring investor confidence and limiting contagion. Similarly, the Swiss National Bank played a major role in the state-sponsored rescue of Credit Suisse providing UBS with CHF 250 billion of liquidity to ease its takeover of the said bank. Geopolitical tensions were also on the rise over the past six months with themes such as the reshoring of critical industries and deglobalization becoming ever more prevalent, while oil production cuts by the Organization of the Petroleum Exporting Countries (OPEC) have exerted upward pressure on oil prices with the Brent exceeding USD96 a barrel and the Light Sweet Crude in the USA (according to the West Texas Intermediate (WTI)) reading topping the USD93 a barrel during the last week of September 2023.

HSBC Malta Funds SICAV p.l.c.

Report of the Directors (continued)

For the period ended 30 September 2023

Unfortunately, as the calendar year progressed, it became more evident that the economic growth in Europe, spurred by increased tourism and consumer spending that followed the COVID-19 lockdown, had been completely eroded. In fact, the Eurozone has already witnessed a technical recession, having delivered two consecutive quarters of negative economic growth. Tightening monetary policy and an ever-hawkish ECB have undoubtedly left their mark, with this economic slowdown being further accelerated by the weak economic growth observed in one of Europe's biggest trading partners, China. The latter promised to return to a strong rate of economic

growth post the removal of COVID-19 related restrictions, a development which export dependent companies in Europe were eagerly awaiting. However, this has not materialized into reality as the Chinese 'reopening' was much softer than hoped driven by liquidity constraints in the real estate sector and also a deflationary environment.

Against this backdrop, bond yields surged higher across major bond markets throughout the six months ending in September 2023, as the expectations of a 'higher for longer' interest rate environment intensified. In the US, additional headwinds emerged from the USA's credit rating downgrade by Fitch. As a result, global sovereign and investment grade bond indices delivered negative returns over the past six month period. High yield corporate debt fared better, generating marginal positive returns. The Maltese government bond market mirrored the losses suffered across Europe's sovereign bond markets albeit to a lesser extent.

Overall, despite the extremely challenging environment for bond markets, the Company's three fixed income funds, namely the International Bond Fund, the Malta Bond Fund and the Malta Government Bond Fund delivered very resilient results as the former two each registered gains totalling 1.30% and 0.57% respectively, and the latter a 1.89% loss. In terms of fund flows, all three fixed income funds registered net redemptions.

In contrast to bond markets, most of the major international equity markets maintained their upward trend during the first six months of the year 2023, however during the third quarter, investor sentiment weakened as the macro-economic backdrop deteriorated amid higher geopolitical tensions, continued monetary policy tightening, stickier than expected inflation and materially higher bond yields, leading major equity indices to reverse a reasonable part of the year's gains. Nevertheless, overall, global equity indices ended the six month period under review in positive territory with the MSCI World Index and the S&P500 Index gaining 5.62% and 8.08% in EUR terms respectively, and the European STOXX600 Index gaining just 0.60% reflecting the economic underperformance of the continent.

In this context, the Equity Growth Fund returned a respectable 5.08% during the financial period under review. The effect of this positive return on this Sub-Fund's net assets under management was further amplified by net subscription inflows of €3.3 million over the period under review, which drove the assets under management as at end of September 2023 higher to €37.2 million.

Over the past six months, the local equity market also enjoyed positive returns with the Malta Stock Exchange Index returning 6.34%, buoyed by the banking and tourism sectors. As a result, the Maltese Assets Fund gained 4.16% during the same period under review. Net subscription inflows in this Sub-Fund further bolstered assets under management which increased from €49.04 million as at March 2023 to €51.82 million as at 30 September 2023.

Overall, the Net Asset Value (NAV) of the Company decreased from €312,806,161 as at 31 March 2023 to €311,473,856 as at 30 September 2023, a decrease of €1,332,305 or 0.43% from the previous fiscal year-end.

HSBC Malta Funds SICAV p.l.c.

Report of the Directors (continued)

For the period ended 30 September 2023

Looking forward, the outlook for the global economy for the next few months remains challenging, driven by mainly the aforementioned ‘higher for longer’ interest rate scenario. In fact, the International Monetary Fund (IMF) has over the past few months repeatedly revised downwards its global economic growth projections for the upcoming years. In this context, and in addition to further escalating geopolitical tension, capital markets face a material amount of uncertainty in the near future with investors’ sentiment and market performance heavily dependent on these two factors, macro-economic developments and geopolitical tensions.

In the forthcoming months, the Directors, together with HSBC Global Asset Management (Malta) Ltd. (“the Manager”) will continue to constantly review the strategic objectives of the Company, particularly with regards to the Company’s endeavours to increase the marketability of the Sub-Funds in what remains an extremely challenging market environment.

A review of the business of the Company during the current year and an indication of its likely future developments are given in the Manager’s report on pages 3 to 12.

Standard licence conditions and regulatory sanctions

During the period under review, there were no breaches of the standard licence conditions that were subject to administrative penalty or regulatory sanctions.

Principal risks and uncertainties

The Company is exposed to financial risks which include market risk, credit risk and liquidity risk. The Company regularly evaluates and analyses its strategic, operative and financial risks within the framework of its risk management policy and takes actions to mitigate these risks.

The individual financial risk management objectives, policies and exposures of the Sub-Funds are further described in the Notes to the Financial Statements.

Material Events after the reporting period

The Directors confirm that there are no material events to be reported following the reporting period.

Results and dividends

The Company registered a net increase in net assets attributable to unit holders of €3,646,376 as can be found in the statement of comprehensive income on page 28.

HSBC Malta Funds SICAV p.l.c.

Report of the Directors (continued)

For the period ended 30 September 2023

Results and dividends (continued)

For the 6-month period ended 30 September 2023, the Company declared the following dividends on its income share classes:

	Ex-dividend date	Currency	Rate per share	Dividend paid	Dividend payable
Malta Bond Fund	31-Mar-23	EUR	2.253	37,551	
	30-June-23	EUR	2.278	37,510	
	30-Sept-23	EUR	2.394		38,544
International Bond Fund	31-Mar-23	EUR	0.946	3,388	
	31-Mar-23	GBP	0.830	694	
	30-June-23	EUR	1.058	3,739	
	30-June-23	GBP	0.907	712	
	30-Sept-23	EUR	1.521		5,319
	30-Sept-23	GBP	1.319		1,024
Malta Government Bond Fund	31-Mar-23	EUR	0.984	19,286	
	30-June-23	EUR	1.185	22,523	
	30-Sept-23	EUR	1.229		22,697
Maltese Assets Fund	31-Mar-23	EUR	1.435	728	
	30-June-23	EUR	2.958	1,502	
	30-Sept-23	EUR	2.133		1,071

Directors

The Directors who served in office during the current financial year are listed on page 1.

Approved by the Board on 23 November 2023.


Steven Tedesco
Chairman


Lisa Vella
Director


Richard Bernard
Director

HSBC Malta Funds SICAV p.l.c.

Ir-Rapport tad-Diretturi

Ghall-perjodu ta' sitt xhur li ntemm fit-30 ta' Settembru 2023

Id-Diretturi qeghdin jipprezentaw ir-rapport *interim* taghhom u r-rendikont finanzjarju ta' HSBC Malta Funds SICAV p.l.c. ('il-Kumpannija') ghall-perjodu ta' sitt xhur li ntemm fit-30 ta' Settembru 2023.

Attivitajiet principali

Il-Kumpannija hija skema ta' investiment kollettiv stabbilita bhala kumpannija pubblika ta' investiment b'aktar minn sottofond wiehed b'kapital varjabbli (SICAV), registrata skont il-ligijiet ta' Malta u licenzjata mill-Awtorita' ghas-Servizzi Finanzjarji ta' Malta (MFSA) skont it-termini tar-regolamenti tal-Att dwar is-Servizzi ta' Investiment (Kapitlu 370, Ligijiet ta' Malta). Il-Kumpannija tikkwalifika bhala Maltese UCITS (Undertaking for Collective Investments in Transferable Securities) skont it-termini tar-regolamenti tal-Att dwar is-Servizzi ta' Investiment (Marketing of UCITS, S.L. 370.18, Ligijiet ta' Malta).

L-ghan tal-Kumpannija huwa li tipprovdi lill-investituri gha'zla ta' fondi sottostanti li ghandhom objettivi ta' investiment differenti u li jinvestu f'varjeta' ta' assi. L-objettivi ta' kull sottofond huma spjegati f'izjed dettall fir-Rapport tal-Maniger (HSBC Global Asset Management Malta Limited).

Analizi tan-negozju u zviluppi prospettivi ghall-futur

Il-perjodu ta' sitt xhur li qiegħda ssir revizjoni tiegħu, kien ikkaratterizzat minn taqlib ma jaqta' xejn fis-sentiment tal-investituri fis-swieg kapitali kollha. Ir-raġuni primarja għal dan it-taqlib kienet il-bidla, tista' tgħid kontinwa, fl-aspettattivi tar-rati tal-interessi fuq sfond ta' pressjonijiet inflazzjonarji differenti fir-reġjuni ekonomiċi principali madwar id-dinja.

Matul l-ewwel xhur ta' din is-sena, l-ekonomiji ewlenin tal-punent, b'mod partikulari l-Istati Uniti, komplew juru tkabbir ekonomiku b'saħħtu. Dan it-tkabbir sehh minkejja wiehed mill-aktar cikli ta' ssikkar monetarju aggressivi li qatt rajna minn tnejn mill-banek ċentrali ewlenin fid-dinja, il-Federal Reserve (FED) fl-Istati Uniti, u l-Bank Ċentrali Ewropew (ECB) fl-Ewropa. Dan l-isfond ekonomiku b'saħħtu izda, irriżulta f'xafra taqta' miż-żewġ naħat, peress li wassal għal aktar zidiet fir-rati tal-interessi matul ix-xhur ta' wara. Fil-fatt, bejn Marzu u Settembru tal-2023, il-FED għolla r-rata bażi tiegħu b'75 bps għal 5.5%, filwaqt li l-ECB għolla r-rata bażi tiegħu b'150 bps għal 4.0%.

Dawn iċ-ċikli ta' ssikkar monetarju aggressivi kienu effettivi, tant li bis-saħħa taghhom, il-pressjonijiet mill-inflazzjoni ġew ikkontrollati u matul il-perjodu li qiegħda ssir revizjoni tiegħu, ir-rata ta' inflazzjoni ewlenija fl-Istati Uniti naqset minn 5% għal 3.7%, filwaqt li fiż-Żona Ewro naqset minn 6.9% għal 4.3%. Minkejja dan, dawn il-livelli t'inflazzjoni xorta jibqgħu qawwijin, messaġġ li ġie mwassal ripetutament mill-banek ċentrali fuq iż-żewġ naħat tal-Atlantiku, u għalhekk, it-tnaqqis ta' 100 bps fir-rati tal-interessi mill-FED fl-2024, miżura li kienet mistennija mill-aktar ekonomisti prominenti fid-dinja, giet riveduta u mnaqqsa għal 50bps.

Din ir-realtà ġdida t'aspettattiva għal ambjent ta' 'rati ta' interessi oġhla għal żmien itwal', kien wiehed mill-fatturi makroekonomiċi ewlenin li hallew impatt fuq is-swieg finanzjarji matul il-perjodu ta' sitt xhur li qed nagħmlu revizjoni tiegħu, izda, żgur ma kienx l-uniku fattur. Fl-Istati Uniti, l-investituri kellhom jaffaċċjaw kriżi bankarja minuri, dan b'konsegwenza tal-falliment tas-Silicon Valley Bank, il-First Republic Bank u s-Signature Bank fost l-oħrajn; l-akbar fallimenti bankarji f'din l-ekonomija mill-2008 'l hawn. Għalkemm dan kollu seta' wassal għal sitwazzjoni ta' 'dèjà vu' għas-swieg finanzjarji, din id-darba, l-FED irreagixxa b'heffa kbira u rnexxielu jillimita l-ħsara milli tinfirex aktar fl-ekonomija Amerikana, u b'hekk malajr ikkalma l-paniku li kien ser jibda jaqbad lill-investituri. Bl-istess mod, il-Bank Nazzjonali Svizzeru, bl-ghajnuna tal-istat, lagħab rwol kruċjali biex isalva l-Credit Suisse minn falliment totali billi pprova lill-UBS CHF 250 biljun f'likwidità biex jiġi żgurat ix-xiri ta' dan il-bank. F'dawn l-aħħar sitt xhur komplet tizdied it-tensjoni ġeopolitika li wasslet għall-aktar pajjiżi ekonomiċi principali fid-dinja, bhall-Istati Uniti, l-Ewropa u c-Ċina, biex jaddottaw miżuri aktar ristrettivi u protettivi fejn jidhol il-kummerċ internazzjonali. Fl-istess waqt, it-tnaqqis fil-produzzjoni taż-żejt mill-Organizzazzjoni tal-Pajjiżi Esportaturi taż-Żejt (l-OPEC) xprunat il-prezzijiet taż-żejt aktar 'il fuq u matul l-aħħar ġimgħa ta' Settembru tal-

HSBC Malta Funds SICAV p.l.c.

Ir-Rapport tad-Diretturi (ikompli)

Ghall-perjodu ta' sitt xhur li ntemm fit-30 ta' Settembru

2023, fl-Ewropa, il-Brent qabeż is-USD96 il-barmil u fl-Istati Uniti, il-Light Sweet Crude (skont il-West Texas Intermediate (WTI)) qabeż it-USD93 il-barmil.

Sfortunatament, mal-mogħdija tal-ġimghat u x-xhur, beda jidher aktar fiċ-ċar li t-tkabbir ekonomiku fl-Ewropa, mkebbes minn zieda fit-turiżmu u l-infiq tal-konsumaturi wara t-tneħħija tal-'lockdowns' tal-pandemija tal-COVID 19, kien tmermer għal kollox. Fil-fatt, iż-Żona Ewro diġà esperjenzat riċessjoni teknika, wara li t-tkabbir ekonomiku f'dan ir reġjun, hekk kif ikkalkulat mill-indiċi tal-Prodott Gross Domestiku, naqas f'żewġ kwarti tas-sena konsekuttivi. Bla dubju, il-politika tal-issikkar monetarju li addotta l-ECB kif ukoll id-dgħufija fit-tkabbir ekonomiku li ġie osservat fi hdn wieħed mill-akbar imsieħba kummerċjali tal-Ewropa, iċ-Ċina, hallew il-marki negattivi tagħhom fuq l-ekonomija ta' dan ir-reġjun. Iċ-Ċina kienet awgurat li wara t-tneħħija tal-miżuri restrittivi marbutin mal-COVID 19, ir-rata tat-tkabbir ekonomiku tagħha kienet se tissaħħa mill-ġdid, żvilupp mistenni b'herqa kbira minn dawk il-kumpanniji Ewropej li jiddependu mill-esportazzjoni. Madankollu, dan ma seħx hekk kif dan 'il-ftuħ mill-ġdid' tal-ekonomija Ċiniża sar hafna aktar bil-mod milli mistenni għax ġie mxejkel minn problemi ta' likwidità fis-settur tal-bini, kif ukoll minhabba l-ambjent ta' diflazzjoni li laqgħat il-pajjiż.

F'dan l-isfond, ir-rati tad-dhul potenzjali fis-swieq tat-titoli tas-self ewlenin, l-hekk msejha 'yields', għolew f'daqqa matul is-sitt xhur li ntemmu f'Settembru 2023, hekk kif l-aspettattivi għal ambjent ta' 'rati ta' interessi oghla għal żmien itwal' intensifikaw. Fl-Istati Uniti, aktar intoppi għal dawn is-swieq tfaċċaw wara li Fitch baxxew ir-'rating' tal-kreditu tal-Istati Uniti. B'riżultat ta' dan, kemm l-indiċi globali tat-titoli tas-self maħruġa mill-gvernijiet u dawk maħruġa mill-kumpanniji hekk msejha 'investment grade' irreġistraw telf matul is-sitt xhur li għaddew. Minn naħa l-oħra, l-indiċi globali tat-titoli tas-self maħruġa mill-kumpanniji hekk msejha 'high yield' irreġistraw qliegħ marginali. Is-suq tat-titoli tas-self maħruġa mill-gvern Malti rrifletta t-telf li ġarrbu s-swieq tat-titoli tas-self maħruġa mill-gvernijiet taż-Żona Ewro, għalkemm it-telf għal dan tal-ewwel kien anqas.

Kollox ma' kollox, minkejja l-ambjent tant diffiċli għas-swieq tat-titoli tas-self kemm lokali u kemm internazzjonali, it-tliet fondi tal-Kumpannija li jinvestu speċifikament f'dawn is-swieq, jiġifieri l-International Bond Fund, il-Malta Bond Fund u l-Malta Government Bond Fund taw riżultati relattivament sodisfaċenti hekk kif l-ewwel żewġ fondi rreġistraw gwadann li jammonta għal 1.30% u 0.57% rispettivament, waqt li t-tielet fond irreġistra telf ta' 1.89%. Minkejja dan, kienu aktar l-investituri li fdew l-investimenti tagħhom f'dawn it-tliet fondi milli dawk li ssottoskrivew investiment ġdid, u b'hekk, komplessivament, it-tliet fondi irreġistraw fidwa netta matul il-perjodu li qed issir ir-reviżjoni tiegħu.

F'kuntrast mas-swieq tat-titoli internazzjonali tas-self, matul l-ewwel sitt xhur tal-2023, hafna mis-swieq internazzjonali tal-ishma ewlenin żammew xejra pożittiva. Iżda matul it-tielet kwart tas-sena, is-sentiment tal-investituri ddgħajjed hekk kif l-isfond makroekonomiku globali tmermer htija ta' tensjoni ġeopolitika oghla kif ukoll minhabba li rati t'inflazzjoni għoljin fid-dinja tal-punent baqgħu jippersistu aktar milli mistenni u wasslu għal aktar miżuri ta' ssikar monetarju minn numru ta' banek ċentrali ewlenin, fosthom aktar rati ta' interessi għoljin. Dan kollu wassal biex l-indiċi tas-swieq ewlenin tal-ishma internazzjonali jroddu lura parti sostanzjali mill-qligħ li kienu għamlu matul is-sena. Madankollu, is-swieq tal-ishma internazzjonali xorta wahda temmew il-perjodu ta' sitt xhur li qiegħda ssir revizjoni tiegħu b'mod pożittiv, bil-'MSCI World Index' u l-'S&P 500 Index' żdiedu b'5.62% u bi 8.08% f'termini tal-Ewro rispettivament, u l-'European STOXX600 Index' jiżdied biss b'0.60% hekk kif irrifletta il-qagħda ekonomika mwiegħra ta' dan il-kontinent relattivament ma' pajjiżi oħrajn.

F'dan il-kuntest, matul il-perjodu finanzjarju li qed jiġi rivedut, l-Equity Growth Fund għamel qligħ rispettabbli ta' 5.08%. L-effett ta' dan il-qligħ pożittiv fuq l-assi netti ta' dan is-sottofond miżjud mas-sottoskrizzjonijiet netti li rċieva matul l-istess perjodu wasslu sabiex sal-aħħar ta' Settembru 2023, l-assi netti ta' dan is-sottofond jikbru għal total ta' €37.2 miljun.

HSBC Malta Funds SICAV p.l.c.

Ir-Rapport tad-Diretturi (ikompli)

Ghall-perjodu ta' sitt xhur li ntemm fit-30 ta' Settembru

Matul is-sitt xhur li għaddew, is-suq lokali tal-ishma wkoll gawda minn andament pożittiv, fejn l-Indiċi tal-Borża ta' Malta rreġistra gwadann ta' 6.34%, mgħejjun l-aktar mill-ishma tal-banek lokali u tal-kumpanniji li joperaw fis-settur tat-turiżmu. Dan wassal biex il-Maltese Assets Fund jiggwadanja 4.16% matul l-istess perjodu li qed issir reviżjoni tiegħu. L-effett ta' dan il-qliġh pożittiv fuq l-assi netti ta' dan is-sottofond miżjud mas- sottoskrizzjonijiet netti li rċieva matul l-istess perjodu wasslu biex l-assi netti ta' dan is-sottofond jikbru minn €49.04 miljuni fl-aħħar ta' Marzu 2023 għal €51.82 miljun sal-aħħar ta' Settembru 2023.

F'dan ix-xenarju, il-Valur tal-Assi Netti (NAV) tal-Kumpannija naqas minn €312,806,161 kif reġistrat fil-31 ta' Marzu 2023 għal €311,473,856 fit-30 ta' Settembru 2023, tnaqqis ta' €1,332,305 jew 0.43% meta mqabbel mal-perjodu finanzjarju ta' qabel.

Harsa 'l quddiem turi li x-xejra tal-ekonomija globali fi-xhur li ġejjin għandha tibqa' waħda li toffri sfidi kbar, l-aktar minhabba is-sitwazzjoni msemmija aktar 'il fuq fejn għandna ambjent ta' 'rati ta' interessi oġġla għal żmien itwal'. Fil-fatt, matul ix-xhur li għaddew, il-Fond Monetarju Internazzjonali (IMF) irreveda 'l isfel ripetutament l-aspettattivi tiegħu għat-tkabbir ekonomiku globali għas-sinjura li ġejjin. Barra dan, it-tensjoni ġeopolitika globali qiegħda dejjem tkompli teskala, u għalhekk, is-swieq kapitali madwar id-dinja x'aktarx li se jibqgħu jhabbtu wiċċhom ma' livell għoli t'incertezza hekk kif s-sentiment tal-investituri għandu jibqa' dipendenti mill-iżviluppi f'dawn iż-żewġ fatturi ewlenin.

Matul ix-xhur li ġejjin, id-Diretturi, flimkien mal-HSBC Global Asset Management (Malta) Ltd. ("il-Maniġer"), se jkomplu konstantament jirrevedu l-għanijiet strateġiċi tal-Kumpannija, partikolarment fejn jidhru l-isforzi li l-Kumpannija qed tagħmel sabiex thajjar aktar investituri jinvestu fis-sottofondi tagħha f'suq li jibqa' dejjem joffri sfidi kbar.

L-analiżi tan-negozju tal-Kumpannija matul il-perjodu li qed issir ir-reviżjoni tiegħu u l-indikazzjonijiet tal-iżviluppi prospettivi għall-futur qed jingħataw fir-rapport tal-Maniġer minn paġna 3 sa 12.

Kundizzjonijiet tal-liċenzja standard u sanzjonijiet regolatorji

Matul il-perjodu li qed issir ir-reviżjoni tiegħu ma kien hemm ebda ksur tal-Kundizzjonijiet tal-Liċenzja Standard li kien sugġett għal xi penali amministrattiva jew sanzjonijiet regolatorji.

Riskji prinċipali u incertezzi

Il-Kumpannija hija esposta għal riskji finanzjarji li jinkludu riskju fis-suq, riskju ta' kreditu u riskju ta' likwidità. Il-Kumpannija tevalwa u tanalizza b'mod regolari r-riskji strateġiċi, operattivi u finanzjarji tagħha fi hdan il-qafas tal-politika tal-ġestjoni tar-riskji tagħha, u tiegħu l-azzjonijiet necessarji biex ittaffi dawn ir-riskji.

L-oġġettivi individwali tal-ġestjoni tar-riskju finanzjarju, regoli operattivi u l-espożizzjoni tas-sottofondi huma deskritti f'aktar dettall fin-Noti tar-Rendikont Finanzjarju.

Avvenimenti wara l-perjodu tar-rappurtar u żviluppi futuri

Id-Diretturi jikkonfermaw li ma kienx hemm avvenimenti materjali x'jigu rappurtati wara l-perjodu ta' rappurtar.

Riżultati u dividendi

Il-Kumpannija rreġistrat zieda netta fl-assi attribwiti tad-detenturi tal-units li jammontaw għal €3,646,376 kif jidher fir-rendikont tad-dhul komprensiv f'paġna 28.

HSBC Malta Funds SICAV p.l.c.

Ir-Rapport tad-Diretturi (ikompli)

Għall-perjodu ta' sitt xhur li ntemm fit-30 ta' Settembru

Riżultati u dividendi (ikompli)

Għas-sena finanzjarja li ntemmet fil-30 ta' Settembru 2023, il-Kumpannija ddikjarat dawn id-dividendi għall-ishma tagħha li jqassmu d-dhul:

	Data Ex-dividend	Monita	Rata għal kull sehem	Dividendi imhallas	Dividendi dovut
Malta Bond Fund	31-Marzu-23	EUR	2.253	37,551	
	30-Gunju-23	EUR	2.278	37,510	
	30-Settembru-23	EUR	2.394		38,544
International Bond Fund	31-Marzu-23	EUR	0.946	3,388	
	31-Marzu-23	GBP	0.830	694	
	30-Gunju-23	EUR	1.058	3,739	
	30-Gunju-23	GBP	0.907	712	
	30-Settembru-23	EUR	1.521		5,319
	30-Settembru-23	GBP	1.319		1,024
Malta Government Bond Fund	31-Marzu-23	EUR	0.984	19,286	
	30-Gunju-23	EUR	1.185	22,523	
	30-Settembru-23	EUR	1.229		22,697
Maltese Assets Fund	31-Marzu-23	EUR	1.435	728	
	30-Gunju-23	EUR	2.958	1,502	
	30-Settembru-23	EUR	2.133		1,071

Diretturi

Id-Diretturi li servew matul il-perjodu li qed jiġi rrivedut jidhru f'pagna 1.

Approvat mill-Bord, 23 ta' Novembru 2023.


Steven Tedesco
Chairman


Lisa Vella
Direttur


Richard Bernard
Direttur

HSBC Malta Funds SICAV p.l.c.

Unaudited Statement of Financial Position

As at 30 September 2023

		Combined	Malta Bond Fund	International Bond Fund	Equity Growth Fund	Malta Government Bond Fund	Maltese Assets Fund
	Note	2023 EUR	2023 EUR	2023 EUR	2023 EUR	2023 EUR	2023 EUR
Assets							
Financial assets at fair value through profit or loss							
- Investments	9, 13	302,720,744	113,243,730	48,080,374	34,929,228	55,725,457	50,741,955
- Accrued interest		3,550,660	2,014,278	724,501	149,775	497,569	164,537
Settlement receivable		701,574	-	453,274	-	-	248,300
Dividends receivable		203,768	-	-	83,258	-	120,510
Cash and cash equivalents	4, 6	6,139,405	1,206,383	1,385,168	2,173,888	597,495	776,471
Total assets		313,316,151	116,464,391	50,643,317	37,336,149	56,820,521	52,051,773
Liabilities							
Settlements payable		1,109,453	222,018	518,043	-	221,380	148,012
Payables and accrued expenses		732,842	372,989	65,495	47,841	162,744	83,773
Total liabilities excluding net assets attributable to unit holders		1,842,295	595,007	583,538	47,841	384,124	231,785
Net assets attributable to unit holders		311,473,856	115,869,384	50,059,779	37,288,308	56,436,397	51,819,988

The accompanying notes are an integral part of these financial statements.

The financial statements set out on pages 26 to 105 were approved by the Board on 23 November 2023.


Steven Tedesco
Chairman


Lisa Vella
Director


Richard Bernard
Director

HSBC Malta Funds SICAV p.l.c.

Unaudited Statement of Financial Position

As at 31 March 2023

		Combined	Malta Bond Fund	International Bond Fund	Equity Growth Fund	Malta Government Bond Fund	Maltese Assets Fund
	Note	2023 EUR	2023 EUR	2023 EUR	2023 EUR	2023 EUR	2023 EUR
Assets							
Financial assets at fair value through profit or loss							
- Investments	9, 13	285,980,117	113,249,961	40,100,070	27,282,798	59,540,396	45,806,892
- Accrued interest		3,154,232	2,034,568	411,871	31,507	481,811	194,475
Settlement receivable		94,686	9,331	85,355	-	-	-
Dividends receivable		176,533	-	-	27,080	-	149,453
Cash and cash equivalents	4, 6	24,187,836	4,502,059	9,423,564	5,397,269	1,510,752	3,354,192
Total assets		313,593,404	119,795,919	50,020,860	32,738,654	61,532,959	49,505,012
Liabilities							
Settlements payable		85,328	-	85,328	-	-	-
Payables and accrued expenses		701,915	353,847	61,360	38,192	166,882	81,634
Total liabilities excluding net assets attributable to unit holders		787,243	353,847	146,688	38,192	166,882	81,634
Net assets attributable to unit holders		312,806,161	119,442,072	49,874,172	32,700,462	61,366,077	49,423,378

HSBC Malta Funds SICAV p.l.c.

Unaudited Statement of Comprehensive Income

For the period ended 30 September 2023

		Combined	Malta Bond Fund	International Bond Fund	Equity Growth Fund	Malta Government Bond Fund	Maltese Assets Fund
	Note	2023 EUR	2023 EUR	2023 EUR	2023 EUR	2023 EUR	2023 EUR
Income							
Dividend income		1,455,342	-	-	396,524	-	1,058,818
Interest income on financial instruments at fair value through profit or loss		4,282,549	2,333,903	705,537	73,806	935,587	233,716
Net realised (losses)/ gains on financial instruments at fair value through profit or loss		(2,171,452)	(566,291)	(832,443)	324,104	(765,200)	(331,622)
Net unrealised gains/(losses) on financial instruments at fair value through profit or loss		2,828,430	(184,831)	1,034,505	1,023,501	(855,587)	1,810,842
Net foreign currency (losses)/gains on cash and cash equivalents		(26,444)	(12,073)	(42,779)	25,427	330	2,651
Other income		5,524	4,221	-	91	-	1,212
Net investment income/(loss)		6,373,949	1,574,929	864,820	1,843,453	(684,870)	2,775,617
Expenses							
Management fees	8	1,284,673	460,659	142,115	177,100	231,566	273,233
Administration fees	8	88,294	33,184	14,097	10,008	16,684	14,321
Custodian/depositary fees	8	121,645	45,370	13,954	14,001	23,403	24,917
Audit fees		22,014	8,170	3,426	3,033	2,917	4,468
Investment account fees	8	194,717	58,599	23,706	23,018	55,654	33,740
Directors' fees	11(d)	13,678	5,780	2,360	1,731	1,508	2,299
Transaction fees		24,950	4,773	657	6,535	7,291	5,694
Other operating expenses		92,484	39,022	18,008	7,362	12,869	15,223
Total operating expenses		1,842,455	655,557	218,323	242,788	351,892	373,895
Operating profit/(loss) before finance costs		4,531,494	919,372	646,497	1,600,665	(1,036,762)	2,401,722
Finance costs							
Distributions to unitholders	10	134,641	76,054	10,794	-	45,220	2,573
Total finance costs		134,641	76,054	10,794	-	45,220	2,573
Profit/(loss) before tax		4,396,853	843,318	635,703	1,600,665	(1,081,982)	2,399,149
Withholding tax		(750,477)	(250,717)	-	(82,130)	(82,450)	(335,180)
Net increase/(decrease) in net assets attributable to unitholders		3,646,376	592,601	635,703	1,518,535	(1,164,432)	2,063,969

The accompanying notes are an integral part of these financial statements.

HSBC Malta Funds SICAV p.l.c.

Unaudited Statement of Comprehensive Income

For the period ended 30 September 2022

		Combined	Malta Bond Fund	International Bond Fund	Equity Growth Fund	Malta Government Bond Fund	Maltese Assets Fund
	Note	2022 EUR	2022 EUR	2022 EUR	2022 EUR	2022 EUR	2022 EUR
Income							
Dividend income		761,218	-	-	216,627	-	544,591
Interest income on financial instruments at fair value through profit or loss		4,073,839	2,283,722	514,557	-	1,035,518	240,042
Net realised (losses)/ gains on financial instruments at fair value through profit or loss		(1,974,630)	(716,524)	(164,286)	483,540	(1,952,714)	375,354
Net unrealised losses on financial instruments at fair value through profit or loss		(16,255,260)	(4,760,182)	(1,966,570)	(3,106,995)	(5,633,075)	(788,438)
Net foreign currency gains on cash and cash equivalents		923,227	250,703	430,546	79,175	5,707	157,096
Other income		8,245	7,566	-	-	-	679
Net investment income		(12,463,361)	(2,934,715)	(1,185,753)	(2,327,653)	(6,544,564)	529,324
Expenses							
Management fees	8	1,379,283	528,306	148,682	143,781	296,051	262,463
Administration fees	8	95,106	37,667	14,599	8,046	21,111	13,683
Custodian/depositary fees	8	131,302	51,267	17,572	9,818	28,572	24,073
Audit fees		20,100	7,738	2,990	1,633	5,141	2,598
Investment account fees	8	217,227	71,777	25,598	15,874	71,915	32,063
Directors' fees	11(d)	15,539	6,096	2,304	1,186	3,980	1,973
Transaction fees		22,238	2,749	315	4,124	8,599	6,451
Other operating expenses		122,531	45,015	26,698	10,922	23,000	16,896
Total operating expenses		2,003,326	750,615	238,758	195,384	458,369	360,200
Operating (loss)/profit before finance costs		(14,466,687)	(3,685,330)	(1,424,511)	(2,523,037)	(7,002,933)	169,124
Finance costs							
Distributions to unitholders	10	118,747	70,365	6,870	-	40,759	753
Total finance costs		118,747	70,365	6,870	-	40,759	753
(Loss)/profit before tax		(14,585,434)	(3,755,695)	(1,431,381)	(2,523,037)	(7,043,692)	168,371
Withholding tax		(556,955)	(220,175)	-	(40,930)	(94,402)	(201,448)
Net decrease in net assets attributable to unitholders		(15,142,389)	(3,975,870)	(1,431,381)	(2,563,967)	(7,138,094)	(33,077)

The accompanying notes are an integral part of these financial statements.

HSBC Malta Funds SICAV p.l.c.

Unaudited Statement of Changes in Net Assets – Combined

For the period ended 30 September 2023

	Total EUR
Net assets as at 1 April 2022	356,153,969 =====
Unit transactions	
Amount received on creations	7,473,820
Amount paid on redemptions	(24,878,259) -----
Total transactions with holders of redeemable units	(17,404,439) -----
Net decrease in net assets attributable to unitholders	(15,142,389) ----- (15,142,389) -----
Net assets as at 30 September 2022	323,607,141 =====
Net assets as at 1 April 2023	312,806,161 =====
Unit transactions	
Amounts received on creations	6,335,054
Amount paid on redemptions	(11,313,735) -----
Total transactions with holders of redeemable units	(4,978,681) -----
Net increase in net assets attributable to unitholders	3,646,376 ----- 3,646,376 -----
Net assets as at 30 September 2023	311,473,856 =====

The accompanying notes are an integral part of these financial statements.

HSBC Malta Funds SICAV p.l.c.

Unaudited Statement of Changes in Net Assets – Malta Bond Fund

For the period ended 30 September 2023

	Total	Accumulator	Income
	EUR	Share Class	Share Class
	EUR	EUR	EUR
Net assets as at 1 April 2022	141,301,392	133,562,012	7,739,380
Unit transactions			
Amount received on creations	579,548	574,726	4,822
Amount paid on redemptions	(9,781,283)	(9,098,585)	(682,698)
Total transactions with holders of redeemable units	(9,201,735)	(8,523,859)	(677,876)
Net equalisation	-	(34,192)	34,192
Net decrease in net assets attributable to unitholders	(3,975,870)	(3,693,783)	(282,087)
	(3,975,870)	(3,727,975)	(247,895)
Net assets as at 30 September 2022	128,123,787	121,310,178	6,813,609
Net assets as at 1 April 2023	119,442,072	113,043,888	6,398,184
Unit transactions			
Amount received on creations	500,696	496,481	4,215
Amount paid on redemptions	(4,665,985)	(4,420,483)	(245,502)
Total transactions with holders of redeemable units	(4,165,289)	(3,924,002)	(241,287)
Net equalisation	-	(23,572)	23,572
Net increase/(decrease) in net assets attributable to unitholders	592,601	633,049	(40,448)
	592,601	609,477	(16,876)
Net assets as at 30 September 2023	115,869,384	109,729,363	6,140,021

The accompanying notes are an integral part of these financial statements.

HSBC Malta Funds SICAV p.l.c.

Unaudited Statement of Changes in Net Assets – International Bond Fund

For the period ended 30 September 2023

	Total	Accumulator	Income
	EUR	Share Class	Share Class
	EUR	EUR	EUR
Net assets as at 1 April 2022	53,804,757	52,449,261	1,355,496
	=====	=====	=====
Unit transactions			
Amount received on creations	505,867	505,110	757
Amounts paid on redemptions	(2,885,409)	(2,815,000)	(70,409)
	-----	-----	-----
Total transactions with holders of redeemable units	(2,379,542)	(2,309,890)	(69,652)
	-----	-----	-----
Net equalisation	-	(5,398)	5,398
Net decrease in net assets attributable to unitholders	(1,431,381)	(1,389,095)	(42,286)
	-----	-----	-----
	(1,431,381)	(1,394,493)	(36,888)
	-----	-----	-----
Net assets as at 30 September 2022	49,993,834	48,744,878	1,248,956
	=====	=====	=====
Net assets as at 1 April 2023	49,874,172	48,736,390	1,137,782
	=====	=====	=====
Unit transactions			
Amount received on creations	871,023	870,442	581
Amounts paid on redemptions	(1,321,119)	(1,279,706)	(41,413)
	-----	-----	-----
Total transactions with holders of redeemable units	(450,096)	(409,264)	(40,832)
	-----	-----	-----
Net equalisation	-	(2,433)	2,433
Net increase in net assets attributable to unitholders	635,703	632,112	3,591
	-----	-----	-----
	635,703	629,679	6,024
	-----	-----	-----
Net assets as at 30 September 2023	50,059,779	48,956,805	1,102,974
	=====	=====	=====

The accompanying notes are an integral part of these financial statements.

HSBC Malta Funds SICAV p.l.c.

Unaudited Statement of Changes in Net Assets – Equity Growth Fund

For the period ended 30 September 2023

	Total EUR	Class A EUR	Class B EUR
Net assets as at 1 April 2022	28,925,806	9,559,977	19,365,829
	=====	=====	=====
Unit transactions			
Amount received on creations	2,109,566	146,661	1,962,905
Amount paid on redemptions	(180,271)	(180,271)	-
	-----	-----	-----
Total transactions with holders of redeemable units	1,929,295	(33,610)	1,962,905
	-----	-----	-----
Net decrease in net assets attributable to unitholders	(2,563,967)	(815,980)	(1,747,987)
	-----	-----	-----
	(2,563,967)	(815,980)	(1,747,987)
	-----	-----	-----
Net assets as at September 2022	28,291,134	8,710,387	19,580,747
	=====	=====	=====
Net assets as at 1 April 2023	32,700,462	8,827,859	23,872,603
	=====	=====	=====
Unit transactions			
Creation of shares	3,379,724	23,523	3,356,201
Redemption of shares	(310,413)	(158,836)	(151,577)
	-----	-----	-----
Total transactions with holders of redeemable units	3,069,311	(135,313)	3,204,624
	-----	-----	-----
Net increase in net assets attributable to unitholders	1,518,535	392,535	1,126,000
	-----	-----	-----
	1,518,535	392,535	1,126,000
	-----	-----	-----
Net assets as at 30 September 2023	37,288,308	9,085,081	28,203,227
	=====	=====	=====

The accompanying notes are an integral part of these financial statements.

HSBC Malta Funds SICAV p.l.c.

Unaudited Statement of Changes in Net Assets – Malta Government Bond Fund

For the period ended 30 September 2023

	Total EUR	Accumulator Share Class EUR	Income Share Class EUR
Net assets as at 1 April 2022	84,839,951	77,780,960	7,058,991
	=====	=====	=====
Unit transactions			
Amount received on creations	107,439	104,810	2,629
Amount paid on redemptions	(11,105,736)	(10,493,235)	(612,501)
	-----	-----	-----
Total transactions with holders of redeemable units	(10,998,297)	(10,388,425)	(609,872)
	-----	-----	-----
Net equalisation	-	(28,695)	28,695
Net decrease in net assets attributable to unitholders	(7,138,094)	(6,479,270)	(658,824)
	-----	-----	-----
	(7,138,094)	(6,507,965)	(630,129)
	-----	-----	-----
Net assets as at 30 September 2022	66,703,560	60,884,570	5,818,990
	=====	=====	=====
Net assets as at 1 April 2023	61,366,077	55,725,113	5,640,964
	=====	=====	=====
Unit transactions			
Amount received on creations	125,088	82,601	42,487
Amount paid on redemptions	(3,890,336)	(3,509,401)	(380,935)
	-----	-----	-----
Total transactions with holders of redeemable units	(3,765,248)	(3,426,800)	(338,448)
	-----	-----	-----
Net equalisation	-	(16,832)	16,832
Net decrease in net assets attributable to unitholders	(1,164,432)	(1,016,196)	(148,236)
	-----	-----	-----
	(1,164,432)	(1,033,028)	(131,404)
	-----	-----	-----
Net assets as at 30 September 2023	56,436,397	51,265,285	5,171,112
	=====	=====	=====

The accompanying notes are an integral part of these financial statements.

HSBC Malta Funds SICAV p.l.c.

Unaudited Statement of Changes in Net Assets – Maltese Assets Fund

For the period ended 30 September 2023

	Total EUR	Accumulator Share Class EUR	Income Share Class EUR
Net assets as at 1 April 2022	47,282,063	47,037,457	244,606
Unit transactions			
Amount received on creations	4,171,400	4,158,230	13,170
Amount paid on redemptions	(925,560)	(925,560)	-
Total transactions with holders of redeemable units	3,245,840	3,232,670	13,170
Net equalisation	-	13,054	(13,054)
Net decrease in net assets attributable to unitholders	(33,077)	(32,265)	(812)
	(33,077)	(19,211)	(13,866)
Net assets as at 30 September 2022	50,494,826	50,250,916	243,910
Net assets as at 1 April 2023	49,423,378	49,203,795	219,583
Unit transactions			
Amount received on creations	1,458,523	1,458,307	216
Amount paid on redemptions	(1,125,882)	(1,125,759)	(123)
Total transactions with holders of redeemable units	332,641	332,548	93
Net equalisation	-	2,489	(2,489)
Net increase in net assets attributable to unitholders	2,063,969	2,057,333	6,636
	2,063,969	2,059,822	4,147
Net assets as at 30 September 2023	51,819,988	51,596,165	223,823

The accompanying notes are an integral part of these financial statements.

HSBC Malta Funds SICAV p.l.c.

Unaudited Statement of Cash Flows

For the period ended 30 September 2023

		Combined 2023 EUR	Malta Bond Fund 2023 EUR	International Bond Fund 2023 EUR	Equity Growth Fund 2023 EUR	Malta Government Bond Fund 2023 EUR	Maltese Assets Fund 2023 EUR
	Note						
Cash flows (used in)/generated from operating activities							
Interest and other income received		5,319,752	2,358,414	392,907	295,975	919,829	1,352,627
Payments to service providers		(1,811,528)	(636,415)	(214,188)	(233,139)	(356,030)	(371,756)
Tax paid		(750,477)	(250,717)	-	(82,130)	(82,450)	(335,180)
Net (payments on disposal)/receipts on acquisition of financial assets at fair value through profit or loss		(15,666,412)	(513,542)	(7,713,446)	(6,298,825)	2,415,532	(3,556,131)
Net cash flows (used in)/generated from operating activities		(12,908,665)	957,740	(7,534,727)	(6,318,119)	2,896,881	(2,910,440)
Cash flows (used in)/generated from financing activities							
Proceeds from creation of units		6,335,054	500,696	871,023	3,379,724	125,088	1,458,523
Amounts paid on redemption of units		(11,313,735)	(4,665,985)	(1,321,119)	(310,413)	(3,890,336)	(1,125,882)
Distribution of dividend	10	(134,641)	(76,054)	(10,794)	-	(45,220)	(2,573)
Net cash flows (used in)/generated from financing activities		(5,113,322)	(4,241,343)	(460,890)	3,069,311	(3,810,468)	330,068
Net decrease in cash and cash equivalents		(18,021,987)	(3,283,603)	(7,995,617)	(3,248,808)	(913,587)	(2,580,372)
Cash and cash equivalents at beginning of period	6	24,187,836	4,502,059	9,423,564	5,397,269	1,510,752	3,354,192
Exchange (losses)/gains on cash and cash equivalents		(26,444)	(12,073)	(42,779)	25,427	330	2,651
Cash and cash equivalents at end of period	6	6,139,405	1,206,383	1,385,168	2,173,888	597,495	776,471

The accompanying notes are an integral part of these financial statements.

HSBC Malta Funds SICAV p.l.c.

Unaudited Statement of Cash Flows

For the period ended 30 September 2022

		Combined 2022 EUR	Malta Bond Fund 2022 EUR	International Bond Fund 2022 EUR	Equity Growth Fund 2022 EUR	Malta Government Bond Fund 2022 EUR	Maltese Assets Fund 2022 EUR
	Note						
Cash flows generated from/(used in) operating activities							
Interest and other income received		5,381,367	2,573,227	519,590	225,068	1,130,409	933,073
Payments to service providers		(1,851,562)	(705,076)	(218,305)	(176,084)	(420,893)	(331,204)
Tax paid		(556,955)	(220,175)	-	(40,930)	(94,402)	(201,448)
Net receipts on acquisition/(payments on disposal) of financial assets at fair value through profit or loss		7,767,818	3,135,079	(1,244,596)	(1,173,892)	10,964,266	(3,913,039)
Net cash flows generated from/(used in) operating activities		10,740,668	4,783,055	(943,311)	(1,165,838)	11,579,380	(3,512,618)
Cash flows (used in)/generated from financing activities							
Proceeds from creation of units		7,473,820	579,548	505,867	2,109,566	107,439	4,171,400
Amounts paid on redemption of units		(25,335,053)	(9,796,680)	(2,920,323)	(180,271)	(11,507,219)	(930,560)
Distribution of dividend	10	(118,747)	(70,365)	(6,870)	-	(40,759)	(753)
Net cash flows (used in)/generated from financing activities		(17,979,980)	(9,287,497)	(2,421,326)	1,929,295	(11,440,539)	3,240,087
Net (decrease)/increase in cash and cash equivalents		(7,239,312)	(4,504,442)	(3,364,637)	763,457	138,841	(272,531)
Cash and cash equivalents at beginning of the period	6	22,819,702	8,165,991	7,042,464	3,547,705	275,549	3,787,993
Exchange gains on cash and cash equivalents		923,227	250,703	430,546	79,175	5,707	157,096
Cash and cash equivalents at end of period	6	16,503,617	3,912,252	4,108,373	4,390,337	420,097	3,672,558

The accompanying notes are an integral part of these financial statements.

HSBC Malta Funds SICAV p.l.c.

Notes to the unaudited financial statements

For the period ended 30 September 2023

1 Reporting entity

HSBC Malta Funds SICAV p.l.c. ('the Company') was incorporated as a multi-fund limited liability Company with variable share capital (SICAV) in Malta on 24 January 1997 under registration number SV 2. The Company's registered address is 171, Old Bakery Street, Valletta, VLT 1455, Malta. The Company is licensed by the Malta Financial Services Authority and qualifies as a 'Maltese UCITS' in terms of the Investment Services Act (Marketing of UCITS) Regulations.

As at 30 September 2023, the Company comprised of five sub-funds, namely Malta Bond Fund, International Bond Fund, Equity Growth Fund, Malta Government Bond Fund and Maltese Assets Fund.

The Company maintains a separate account for each Fund, to which the proceeds are credited, and against which expenses are charged. Upon redemption, unitholders are entitled only to their proportion of the net assets held in the account relating to the Fund in which their participating units are designated. Separate statements of financial position, statements of changes in net assets attributable to unitholders, statements of comprehensive income and statements of cash flow have accordingly been prepared for each Fund. All references to net assets throughout this document refer to net assets attributable to unitholders of the respective Fund.

The statement of financial position presents assets and liabilities in increasing order of liquidity. Financial assets at fair value through profit or loss are intended to be held for an indefinite period of time and may be sold in response to needs for liquidity or in accordance with the Investment Manager's recommendations. All other assets and liabilities are expected to be realised within one year.

2 Basis of preparation

2.1 Statement of compliance

The financial statements have been prepared and presented in accordance with International Financial Reporting Standards as adopted by the EU. All references in these financial statements to IAS, IFRS or SIC/IFRIC interpretations refer to those adopted by the EU.

They have also been drawn up in accordance with the provisions of the Maltese Companies Act, 1995 (Chapter 386, Laws of Malta).

2.2 Basis of measurement

The financial statements have been prepared on the historical cost basis except that financial instruments at fair value through profit or loss (FVTPL), are measured at fair value.

2.3 Functional and presentation currency

The financial statements are presented in Euro, which is the functional currency of the individual funds.

The combined financial statements have also been presented in Euro.

HSBC Malta Funds SICAV p.l.c.

Notes to the unaudited financial statements

For the period ended 30 September 2023

2 Basis of preparation (continued)

2.4 Use of estimates and judgements

The preparation of financial statements in conformity with IFRS requires the Directors to make judgements, estimates and assumptions that affect both the application of policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

In the opinion of the Directors, the accounting estimates and judgements made in the course of preparing these financial statements are not difficult, subjective or complex to a degree which would warrant their description as critical in terms of the requirements of IAS 1 (revised).

3 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

3.1 Foreign currency

Transactions in foreign currencies are translated to the functional currency at the spot exchange rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the reporting date to the functional currency at the spot exchange rate at that date.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the spot exchange rate at the date that the fair value was determined.

Foreign currency differences arising on retranslation are recognised in the statement of comprehensive income as net foreign currency gain/loss, except for those arising on financial instruments at fair value through profit or loss, which are recognised as a component of net realised/unrealised gain/loss on financial instruments at fair value through profit or loss.

3.2 Financial assets and liabilities

3.2.1 Recognition and initial measurement

The Company initially recognises financial assets and financial liabilities at FVTPL on the trade date, which is the date on which the Company becomes a party to the contractual provisions of the instrument. Other financial assets and financial liabilities are recognised on the date on which they are originated.

A financial asset or financial liability is measured initially at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue.

HSBC Malta Funds SICAV p.l.c.

Notes to the unaudited financial statements

For the period ended 30 September 2023

3 Significant accounting policies (continued)

3.2 Financial assets and liabilities (continued)

3.2.2 Classification and subsequent measurement

On initial recognition, the Company classifies financial assets as measured at amortised cost or FVTPL. For financial assets measured at amortised cost, changes in the carrying amount as a result of foreign exchange gains or losses, impairment gains or losses and interest income are recognised in profit or loss.

Financial assets measured at FVTPL are subsequently measured at fair value at the end of each reporting period, with any fair value gains or losses including foreign exchange gains and losses, recognised in profit or loss. Dividend income is presented within the line item '*Dividend income*'. Where applicable, interest income is disclosed within the line item '*Interest income on financial instruments at fair value through profit or loss*'.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets of the Fund are measured at FVTPL.

3.2.2.1 Financial assets - Business model assessment

In making an assessment of the objective of the business model in which a financial asset is held, the Company considers all of the relevant information about how the business is managed, including:

- the documented investment strategy and the execution of this strategy in practice. This includes whether the investment strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how the investment manager is compensated: e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

HSBC Malta Funds SICAV p.l.c.

Notes to the unaudited financial statements

For the period ended 30 September 2023

3 Significant accounting policies (continued)

3.2 Financial assets and liabilities (continued)

3.2.2 Classification and subsequent measurement (continued)

3.2.2.1 Financial assets - Business model assessment (continued)

The Company has determined that it has two business models.

- Held-to-collect business model: this includes cash and cash equivalents, settlement receivable, dividends receivable and accrued interest. These financial assets are held to collect contractual cash flows.
- Other business model: this includes debt securities, equity investments, investments in unlisted open-ended investment funds, unlisted private equities, and rights. These financial assets are managed and their performance is evaluated, on a fair value basis, with frequent sales taking place.

3.2.2.2 Financial assets - Assessment whether contractual cash flows are solely payments of principal and interests (SPPI)

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin as well as profit margin that is consistent with the basic lending arrangements.

In assessing whether the contractual cash flows are SPPI, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- leverage features;
- prepayment and extension features;
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features); and
- features that modify consideration of the time value of money (e.g. periodical reset of interest rates).

For a reconciliation of line items in the statement of financial position to the categories of financial instruments, as defined by IFRS 9, see Note 9.

3.2.2.3 Financial assets - Reclassifications

Financial assets are not reclassified subsequent to their initial recognition unless the Company were to change its business model for managing financial assets, in which case all affected financial assets would be reclassified on the first day of the first reporting period following the change in the business model.

HSBC Malta Funds SICAV p.l.c.

Notes to the unaudited financial statements

For the period ended 30 September 2023

3 Significant accounting policies (continued)

3.2 Financial assets and liabilities (continued)

3.2.2 Classification and subsequent measurement (continued)

3.2.2.4 Financial liabilities – Classification, subsequent measurement and gains and losses

Financial liabilities, other than those at *fair value through profit or loss*, are measured at amortised cost using the effective interest rate method. Financial liabilities arising from the puttable feature of units issued by the Company are carried at the amount representing the unit holder's right to a residual interest in the Company's net assets.

When applying the effective interest method, the annual amortisation of any discount or premium is aggregated with other investment income payable over the term of the instrument, if any, so that the revenue recognised in each period represents a constant yield on the investment.

Financial liabilities that were not at *fair value through profit or loss* included settlements payable, redemptions payable, accruals and other payables.

3.2.3 Impairment

The Company recognises loss allowances for Expected Credit Loss (ECLs) on financial assets measured at amortised cost.

The Company measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- financial assets that are determined to have low credit risk at the reporting date; and
- other financial assets for which credit risk (i.e. the risk of default occurring over the expected life of the asset) has not increased significantly since initial recognition.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Company considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

The Company considers a financial asset to have low credit risk when the credit rating of the counterparty is equivalent to the globally understood definition of 'investment grade'. The Company considers this to be Baa3 or higher per Moody's or BBB- or higher per S&P.

HSBC Malta Funds SICAV p.l.c.

Notes to the unaudited financial statements

For the period ended 30 September 2023

3 Significant accounting policies (continued)

3.2 Financial assets and liabilities (continued)

3.2.3 *Impairment (continued)*

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

3.2.3.1 *Measurement of ECLs*

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive).

ECLs are discounted at the effective interest rate of the financial asset.

3.2.3.2 *Credit-impaired financial assets*

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being more than 90 days past due; or
- it is probable that the borrower will enter bankruptcy or other financial reorganisation.

3.2.3.3 *Presentation of allowance for ECLs in the statement of financial position*

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

3.2.3.4 *Write-off*

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

3.2.4 *Fair value measurement principles*

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk.

HSBC Malta Funds SICAV p.l.c.

Notes to the unaudited financial statements

For the period ended 30 September 2023

3 Significant accounting policies (continued)

3.2 Financial assets and liabilities (continued)

3.2.4 Fair value measurement principles (continued)

When available, the Company measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Company uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

The best evidence of the fair value of a financial instrument at initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Company determines that the fair value at initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value at initial recognition and the transaction price.

Subsequently, that difference is recognised in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

If an asset or liability measured at fair value has a bid price and ask price, IFRS 13 *Fair Value Measurement* requires valuation to be based on a price within the bid-ask spread that is most representative of fair value and allows the use of mid-market pricing or other pricing conventions that are used by market participants as a practical expedient for fair value measurement within a bid-ask spread. If an asset or liability is not available for further subscriptions, all of its underlying securities are measured at the bid price (the price at which these securities can eventually be liquidated).

Unquoted investments are initially measured at cost, and restated to fair value as determined by the Directors, acting on the advice of the Manager or such other person commissioned and appointed from time to time for that purpose by the Directors. The fair value is estimated using valuation techniques, including the use of recent arm's length market transactions, reference to the current fair value of another instrument that is substantially the same, discounted cash flow techniques, option pricing models or any other valuation techniques that provide a reliable estimate of prices obtained in actual market transactions.

The fair value of derivatives that are not exchange-traded is estimated at the amount that the Company would receive, or pay, to terminate the contract at the financial reporting date, taking into account current market conditions, volatility, appropriate yield curve and the current creditworthiness of the counterparties. The fair value of a forward contract is determined as the net present value of estimated future cash flows, discounted at appropriate market rates on the valuation dates.

HSBC Malta Funds SICAV p.l.c.

Notes to the unaudited financial statements

For the period ended 30 September 2023

3 Significant accounting policies (continued)

3.2 Financial assets and liabilities (continued)

3.2.5 *Collective Investment Schemes*

The Scheme's investments in other funds are subject to terms and conditions of the respective Investment Fund's offering documentation. The investments in open-ended Investment Funds are valued based on the latest available redemption price of such units for each Investment Fund, as determined by the Investment Funds' administrators. The Scheme's Trustee reviews the details of the reported information obtained from the Investment Funds and considers:

- The liquidity of the Investment Fund or its underlying investments;
- The value date of the net asset value provided;
- Any restrictions on redemptions; and
- The basis of accounting and, in instances where the basis of accounting is other than fair value, fair valuation information provided by the Investment Fund's advisors.

If necessary, the Scheme makes adjustments to the net asset value of various Investment Funds to obtain the best estimate of fair value. Net fair value changes on financial assets at fair value through profit or loss in the statement of changes in net assets available to participants for benefits include the change in fair value of each of the Investment Funds.

Investments in closed-ended Investment Funds are valued by reference to the unitholders' capital attributable to the relevant sub-fund as determined by the Investment Fund's administrator. The unitholders in these closed-ended funds are not entitled to have any of their holding redeemed prior to the termination period. As a result, the carrying values of the Investment Funds may not be indicative of the values ultimately realised on redemption. In addition, the Scheme may be materially affected by the actions of other investors who have invested in the Investment Funds in which the Scheme is invested.

All of the Investment Funds in the investment portfolio are managed by investment providers who are compensated by the respective Investment Fund's for their services. Such compensation generally consists of an asset-based fee and a performance-based incentive fee. Such compensation is reflected in the valuation of the Scheme's investment in each of the Investment Funds.

3.2.6 *Derecognition*

The Company derecognises a financial asset when the contractual rights to the cash flow from the financial asset expire, or when it transfers the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all the risks and rewards of ownership and does not retain control of the financial asset. Any interest in transferred financial assets that qualify for derecognition that is created or retained by the Company is recognised as a separate asset or liability in the statement of financial position.

Upon derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised), and the consideration received (including any new asset obtained less any new liability assumed) is recognised in profit or loss.

HSBC Malta Funds SICAV p.l.c.

Notes to the unaudited financial statements

For the period ended 30 September 2023

3 Significant accounting policies (continued)

3.2 Financial assets and liabilities (continued)

3.2.6 Derecognition (continued)

The Company enters into transactions whereby it transfers assets recognised on its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets or a portion of them. If all or substantially all risks and rewards are retained, then the transferred assets or a portion of them are not derecognised. Transfers of assets with retention of all or substantially all risks and rewards include, for example, securities lending and repurchase transactions.

The Company uses the weighted average method to determine realised gains and losses on derecognition.

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

3.3 Cash and cash equivalents

Cash comprises current deposits with banks with original maturities of less than three months. Cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value, and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

3.4 Interest Income

Interest income is recognised in profit or loss as it accrues using the effective interest method.

3.5 Dividend income

Dividend income relating to exchange-traded funds and equities is recognised in profit or loss on the ex-dividend date.

3.6 Expenses

All expenses, including management fees and custodian fees, are recognised in profit or loss on an accruals basis.

3.7 Redeemable units

The Company classifies financial instruments issued as financial liabilities or equity instruments in accordance with the substance of the contractual terms of the instruments.

The Company issues redeemable units which are redeemable at the holder's option. Such units are classified as financial liabilities. Redeemable units can be put back to the Funds at any time for cash equal to a proportionate share of the Funds' net asset value attributable to the share class.

The redeemable units are carried at the redemption amount that is payable at the reporting date if the holder exercises the right to put the unit back to the Funds.

HSBC Malta Funds SICAV p.l.c.

Notes to the unaudited financial statements

For the period ended 30 September 2023

3 Significant accounting policies (continued)

3.7 Redeemable units (continued)

Redeemable units are issued and redeemed at the holder's option at prices based on the Funds' net asset value per unit at the time of issue or redemption. The Funds' net asset value per unit is calculated by dividing the net assets attributable to the holders of each redeemable unit with the total number of outstanding redeemable units. In accordance with the provisions of the Funds' regulations, investment positions are valued based on the last traded mid-market price for the purpose of determining the net asset value per unit for subscriptions and redemptions.

3.8 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to set off the recognised amounts and it intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

3.9 Dividend distributions

Dividends payable on income shares are recognised in profit or loss as finance costs.

The amount available for distribution by the relevant Funds includes:

- a) the net increase in unitholders' funds excluding gains/losses on financial instruments and dividends payable; and
- b) the net income equalisation on units that are issued and redeemed during the period.

Such amounts available for distribution are transferred to the Distribution Account. Any undistributed income will be reflected in the net asset value per unit of the Funds.

3.10 Equalisation

The purchase price of any units in the Funds generally contains an element representing the accrued income earned by the units since the start of the current dividend period.

This means that when investors buy units, part of the consideration represents payment of net income. The corresponding portion of the purchase price (the equalisation payment) will be notionally credited by the relative Fund to an equalisation account.

3.11 New Standards and amendments to existing standards

3.11.1 Standards and amendments to existing standards effective 1 April 2023

Amendments to IAS 8 – Disclosure of Accounting Estimates

The amendments are intended to help entities distinguish between accounting policies and accounting estimates.

The changes to IAS 8 focus entirely on accounting estimates and clarify the following:

- The definition of a change in accounting estimates is replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty".

HSBC Malta Funds SICAV p.l.c.

Notes to the unaudited financial statements

For the period ended 30 September 2023

3 Significant accounting policies (continued)

3.11 New Standards and amendments to existing standards (continued)

3.11.1 Standards and amendments to existing standards effective 1 April 2023 (continued)

Amendments to IAS 8 – Disclosure of Accounting Estimates (continued)

- Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty.
- The Board clarifies that a change in accounting estimate that results from new information or new developments is not the correction of an error. In addition, the effects of a change in an input or a measurement technique used to develop an accounting estimate are changes in accounting estimates if they do not result from the correction of prior period errors.
- A change in an accounting estimate may affect only the current period's profit or loss, or the profit or loss of both the current period and future periods. The effect of the change relating to the current period is recognised as income or expense in the current period. The effect, if any, on future periods is recognised as income or expense in those future periods.

Amendments to IAS 1 and IFRS Practice Statements – Disclosure of Accounting Policies

The amendments are intended to help preparers in deciding which accounting policies to disclose in their financial statements.

The amendments amend IAS 1 in the following ways:

- An entity is now required to disclose its material accounting policy information instead of its significant accounting policies;
- several paragraphs are added to explain how an entity can identify material accounting policy information and to give examples of when accounting policy information is likely to be material;
- the amendments clarify that accounting policy information may be material because of its nature, even if the related amounts are immaterial;
- the amendments clarify that accounting policy information is material if users of an entity's financial statements would need it to understand other material information in the financial statements; and
- the amendments clarify that if an entity discloses immaterial accounting policy information, such information shall not obscure material accounting policy information.

In addition, IFRS Practice Statement 2 has been amended by adding guidance and examples to explain and demonstrate the application of the 'four-step materiality process' to accounting policy information in order to support the amendments to IAS 1.

3.11.2 New International Financial Reporting Standards in issue but not yet effective

Amendments to IAS 1 – Classification of liabilities as current and non-current (effective for financial years on or after 1 January 2024)

The amendments affect only the presentation of liabilities in the statement of financial position — not the amount or timing of recognition of any asset, liability income or expenses, or the information that entities disclose about those items. They:

- clarify that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period and align the wording in all affected paragraphs to refer to the

HSBC Malta Funds SICAV p.l.c.

Notes to the unaudited financial statements

For the period ended 30 September 2023

3 Significant accounting policies (continued)

3.11 New Standards and amendments to existing standards (continued)

3.11.2 New International Financial Reporting Standards in issue but not yet effective (continued)

Amendments to IAS 1 – Classification of liabilities as current and non-current (effective for financial years on or after 1 January 2024) (continued)

- "right" to defer settlement by at least twelve months and make explicit that only rights in place "at the end of the reporting period" should affect the classification of a liability;
- clarify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability; and
 - make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.

The changes in 'Classification of Liabilities as Current or Non-current — Deferral of Effective Date' issued on 15 July 2020 defer the effective date of Classification of Liabilities as Current or Non-current (Amendments to IAS 1) to annual reporting periods beginning on or after 1 January 2023.

The Directors anticipate that the adoption of other International Financial Reporting Standards that were in issue at the date of authorisation of these financial statements, but not yet effective, will have no material impact on the financial statements of the Company in the period of initial application.

4 Bank balances and bank facilities

4.1 Malta Bond Fund

Bank balances as at 30 September 2023 comprise call deposits with credit institutions, which did not exceed 10% of the net assets of the Fund.

The Fund has a stand-by overdraft facility of a maximum of EUR10,700,000 with interest chargeable at a base rate floored at zero plus 2% per annum. The base rate will be reviewed and, if it was changed, will reset each calendar quarter in advance. The base rate shall be the rate for overnight deposits with the Central Bank of the currency concerned namely: European Central Bank deposit facility rate with respect to EUR currency, Bank of England bank rate with respect of GBP currency and Federal Reserve federal funds rate with respect to USD currency. If the base rate is negative it shall be deemed to be zero.

The Fund also has a stand-by settlement line of a maximum of EUR10,700,000 with interest applied on any outstanding balance not repaid by the settlement date in accordance with the provisions regarding unauthorised overdrafts under the general terms and conditions for banking services of the depositary.

During the period, the Fund did not avail itself of these facilities. These facilities were secured by the cash and investments held by the Fund with the Depositary/Custodian.

4.2 International Bond Fund

Bank balances as at 30 September 2023 comprise call deposits with credit institutions, which did not exceed 10% of the net assets of the Fund.

HSBC Malta Funds SICAV p.l.c.

Notes to the unaudited financial statements

For the period ended 30 September 2023

4 Bank balances and bank facilities (continued)

4.2 International Bond Fund (continued)

For the comparative year, call deposits with credit institutions, the amount of which exceed 10% of net assets of the Fund and were held with the following institution.

	30 September 2023		31 March 2023	
	EUR	% of net assets	EUR	% of net assets
HSBC Bank Malta plc	-	-	9,423,564	18.89
	-----	-----	-----	-----
	-	-	9,423,564	18.89
	=====	=====	=====	=====

The Fund has a stand-by overdraft facility of a maximum of EUR700,000 with interest chargeable at a base rate floored at zero plus 2% per annum. The base rate will be reviewed and, if it was changed, will reset each calendar quarter in advance. The base rate shall be the rate for overnight deposits with the Central Bank of the currency concerned namely: European Central Bank deposit facility rate with respect to EUR currency, Bank of England bank rate with respect of GBP currency and Federal Reserve federal funds rate with respect to USD currency. If the base rate is negative it shall be deemed to be zero.

The Fund also has a stand-by settlement line of a maximum of EUR700,000 with interest applied on any outstanding balance not repaid by the settlement date in accordance with the provisions regarding unauthorised overdrafts under the general terms and conditions for banking services of the depositary.

During the period, the Fund did not avail itself of these facilities. These facilities were secured by the cash and investments held by the Fund with the Depositary/Custodian.

4.3 Equity Growth Fund

Bank balances as at 30 September 2023 comprise call deposits with credit institutions, which did not exceed 10% of the net assets of the Fund.

For the comparative year, call deposits with credit institutions, the amount of which exceed 10% of net assets of the Fund and were held with the following institution.

	30 September 2023		31 March 2023	
	EUR	% of net assets	EUR	% of net assets
HSBC Bank Malta plc	-	-	5,397,269	16.51
	-----	-----	-----	-----
	-	-	5,397,269	16.51
	=====	=====	=====	=====

HSBC Malta Funds SICAV p.l.c.

Notes to the unaudited financial statements

For the period ended 30 September 2023

4 Bank balances and bank facilities (continued)

4.3 Equity Growth Fund (continued)

The Fund has a stand-by overdraft facility of a maximum of EUR700,000 with interest chargeable at a base rate floored at zero plus 2% per annum. The base rate will be reviewed and, if it was changed, will reset each calendar quarter in advance. The base rate shall be the rate for overnight deposits with the Central Bank of the currency concerned namely: European Central Bank deposit facility rate with respect to EUR currency, Bank of England bank rate with respect of GBP currency and Federal Reserve federal funds rate with respect to USD currency. If the base rate is negative it shall be deemed to be zero.

The Fund also has a stand-by settlement line of a maximum of EUR700,000 with interest applied on any outstanding balance not repaid by the settlement date in accordance with the provisions regarding unauthorised overdrafts under the general terms and conditions for banking services of the depositary.

During the period, the Fund did not avail itself of these facilities. These facilities were secured by the cash and investments held by the Fund with the Depositary/Custodian.

4.4 Malta Government Bond Fund

Bank balances as at 30 September 2023 comprise call deposits with credit institutions, which did not exceed 10% of the net assets of the Fund.

The Fund has a stand-by overdraft facility of a maximum of EUR2,500,000 with interest chargeable at a base rate floored at zero plus 2% per annum. The base rate will be reviewed and, if it was changed, will reset each calendar quarter in advance. The base rate shall be the rate for overnight deposits with the Central Bank of the currency concerned namely: European Central Bank deposit facility rate with respect to EUR currency, Bank of England bank rate with respect of GBP currency and Federal Reserve federal funds rate with respect to USD currency. If the base rate is negative it shall be deemed to be zero.

The Fund also has a stand-by settlement line of a maximum of EUR2,500,000 with interest applied on any outstanding balance not repaid by the settlement date in accordance with the provisions regarding unauthorised overdrafts under the general terms and conditions for banking services of the depositary.

During the period, the Fund did not avail itself of these facilities. These facilities were secured by the cash and investments held by the Fund with the Depositary/Custodian.

4.5 Maltese Assets Fund

Bank balances as at 30 September 2023 comprise call deposits with credit institutions, which did not exceed 10% of the net assets of the Fund.

The Fund has a stand-by overdraft facility of a maximum of EUR2,200,000 with interest chargeable at a base rate floored at zero plus 2% per annum. The base rate will be reviewed and, if it was changed, will reset each calendar quarter in advance. The base rate shall be the rate for overnight deposits with the Central Bank of the currency concerned namely: European Central Bank deposit facility rate with respect to EUR currency, Bank of England bank rate with respect of GBP currency and Federal Reserve federal funds rate with respect to USD currency. If the base rate is negative it shall be deemed to be zero.

HSBC Malta Funds SICAV p.l.c.

Notes to the unaudited financial statements

For the period ended 30 September 2023

4 Bank balances and bank facilities (continued)

4.5 Maltese Assets Fund (continued)

The Fund also has a stand-by settlement line of a maximum of EUR2,200,000 with interest applied on any outstanding balance not repaid by the settlement date in accordance with the provisions regarding unauthorised overdrafts under the general terms and conditions for banking services of the depositary.

During the period, the Fund did not avail itself of these facilities. These facilities were secured by the cash and investments held by the Fund with the Depositary/Custodian.

5 Share capital

(a) The number of shares in issue to unitholders at the end of the period is analysed below:

30 September 2023	Combined No.	Malta Bond Fund No.	International Bond Fund No.	Equity Growth Fund No.	Malta Government Bond Fund No.	Maltese Assets Fund No.
Authorised	100,000,000 =====					
Issued	637,949 =====	188,964 =====	118,369 =====	102,169 =====	138,046 =====	90,401 =====
31 March 2023	Combined No.	Malta Bond Fund No.	International Bond Fund No.	Equity Growth Fund No.	Malta Government Bond Fund No.	Maltese Assets Fund No.
Authorised	100,000,000 =====					
Issued	645,758 =====	195,763 =====	119,479 =====	93,595 =====	147,118 =====	89,803 =====

HSBC Malta Funds SICAV p.l.c.

Notes to the unaudited financial statements

For the period ended 30 September 2023

5 Share capital (continued)

Analysed as follows:

	Combined 30 Sep 2023 No.	Malta Bond Fund 30 Sep 2023 No.	International Bond Fund 30 Sep 2023 No.	Equity Growth Fund 30 Sep 2023 No.	Malta Government Bond Fund 30 Sep 2023 No.	Maltese Assets Fund 30 Sep 2023 No.
<i>Accumulator Share Class</i>						
At beginning of the period	604,663	179,092	115,164	93,595	127,516	89,296
Creation of units	15,074	789	2,057	9,455	192	2,581
Redemption of units	(21,032)	(7,019)	(3,021)	(881)	(8,133)	(1,978)
	-----	-----	-----	-----	-----	-----
At end of the period	598,705	172,862	114,200	102,169	119,575	89,899
	=====	=====	=====	=====	=====	=====
	Combined 30 Sep 2023 No.	Malta Bond Fund 30 Sep 2023 No.	International Bond Fund 30 Sep 2023 No.	Equity Growth Fund 30 Sep 2023 No.	Malta Government Bond Fund 30 Sep 2023 No.	Maltese Assets Fund 30 Sep 2023 No.
<i>Income Share Class</i>						
At beginning of the period	41,095	16,671	4,315	-	19,602	507
Creation of units	162	11	2	-	149	-
Redemption of units	(2,013)	(580)	(148)	-	(1,280)	(5)
	-----	-----	-----	-----	-----	-----
At end of the period	39,244	16,102	4,169	-	18,471	502
	=====	=====	=====	=====	=====	=====
Total units at end of period	637,949	188,964	118,369	102,169	138,046	90,401
	=====	=====	=====	=====	=====	=====

HSBC Malta Funds SICAV p.l.c.

Notes to the unaudited financial statements

For the period ended 30 September 2023

5 Share capital (continued)

Analysed as follows:

	Combined 31 Mar 2023 No.	Malta Bond Fund 31 Mar 2023 No.	International Bond Fund 31 Mar 2023 No.	Equity Growth Fund 31 Mar 2023 No.	Malta Government Bond Fund 31 Mar 2023 No.	Maltese Assets Fund 31 Mar 2023 No.
<i>Accumulator Share Class</i>						
At beginning of the year	645,982	203,472	119,861	78,024	161,742	82,883
Creation of units	34,286	1,509	4,763	17,152	512	10,350
Redemption of units	(75,605)	(25,889)	(9,460)	(1,581)	(34,738)	(3,937)
	-----	-----	-----	-----	-----	-----
At end of the year	604,663	179,092	115,164	93,595	127,516	89,296
	=====	=====	=====	=====	=====	=====
	Combined 31 Mar 2023 No.	Malta Bond Fund 31 Mar 2023 No.	International Bond Fund 31 Mar 2023 No.	Equity Growth Fund 31 Mar 2023 No.	Malta Government Bond Fund 31 Mar 2023 No.	Maltese Assets Fund 31 Mar 2023 No.
<i>Income Share Class</i>						
At beginning of the year	46,415	18,979	4,910	-	21,981	545
Creation of units	100	39	43	-	18	-
Redemption of units	(5,420)	(2,347)	(638)	-	(2,397)	(38)
	-----	-----	-----	-----	-----	-----
At end of the year	41,095	16,671	4,315	-	19,602	507
	=====	=====	=====	=====	=====	=====
Total units at end of year	645,758	195,763	119,479	93,595	147,118	89,803
	=====	=====	=====	=====	=====	=====

HSBC Malta Funds SICAV p.l.c.

Notes to the unaudited financial statements

For the period ended 30 September 2023

5 Share capital (continued)

In terms of the Maltese Companies Act, 1995, the authorised share capital of the Company has not been assigned any nominal value, and the paid-up share capital of the Company shall at all times be equal to the Net Asset Value of the Funds as determined in accordance with the Articles of Association.

(b) The net assets at the end of the period are analysed as follows:

	Combined 30 Sep 2023 EUR	Malta Bond Fund 30 Sep 2023 EUR	International Bond Fund 30 Sep 2023 EUR	Equity Growth Fund 30 Sep 2023 EUR	Malta Government Bond Fund 30 Sep 2023 EUR	Maltese Assets Fund 30 Sep 2023 EUR
Accumulator shares	298,835,926	109,729,363	48,956,805	37,288,308	51,265,285	51,596,165
Income shares	12,637,930	6,140,021	1,102,974	-	5,171,112	223,823
	-----	-----	-----	-----	-----	-----
Net assets	311,473,856	115,869,384	50,059,779	37,288,308	56,436,397	51,819,988
	=====	=====	=====	=====	=====	=====
	Combined 31 Mar 2023 EUR	Malta Bond Fund 31 Mar 2023 EUR	International Bond Fund 31 Mar 2023 EUR	Equity Growth Fund 31 Mar 2023 EUR	Malta Government Bond Fund 31 Mar 2023 EUR	Maltese Assets Fund 31 Mar 2023 EUR
Accumulator shares	299,409,648	113,043,888	48,736,390	32,700,462	55,725,113	49,203,795
Income shares	13,396,513	6,398,184	1,137,782	-	5,640,964	219,583
	-----	-----	-----	-----	-----	-----
Net assets	312,806,161	119,442,072	49,874,172	32,700,462	61,366,077	49,423,378
	=====	=====	=====	=====	=====	=====

HSBC Malta Funds SICAV p.l.c.

Notes to the financial statements

For the period ended 30 September 2023

5 Share capital (continued)

- (c) Accumulator Shares represent shares in respect of which the Company does not intend to distribute any dividends and hence, any profits will accumulate within the relevant class of Accumulator Shares. The Company will however distribute dividends in respect of its Income Shares in such amounts as may be determined by the Directors in accordance with the Prospectus.
- (d) The net assets of the Income Shares represent the sum of the Income Share Class and the balance on the Income Account set out in the statement of changes in net assets.
- (e) Units may be issued and redeemed at prices based on the Funds' Net Asset Value as determined in accordance with the Articles of Association and the Prospectus.
- (f) The net assets at the beginning of the period, together with amounts received on creation of units and amounts paid on redemption of units during the period, are disclosed in the statement of changes in net assets.
- (g) Each unitholder is entitled to one vote in respect of each unit held.
- (h) The units subscribed by the promoters of the Company at the time of establishment of the Company are, for administrative purposes, referred to as 'Founder Shares'. The Founder Shares constitute the minimum number of ordinary shares that a company is required to maintain in terms of the Act. These founder shares amount to EUR1,167 and are divided into 501 Shares which are fully paid up and subscribed as follows: HSBC Global Asset Management (Malta) Limited has subscribed to 500 Shares on its own account and HSBC Life Assurance (Malta) Limited has subscribed to 1 Share on its own account.

Another 5 shares with no nominal value are referred to as the 'Institutional Shares'. The Institutional Shares are fully paid up and subscribed by HSBC Global Asset Management (Malta) Limited. The holders of the Institutional Shares have the right to appoint one director of the Company by means of a written instrument. The holders of the Institutional Shares have such right until such time as HSBC Global Asset Management (Malta) Limited holds Institutional Shares and continues to act as Manager to any of the Funds of the Company. It also has the right to remove from office any Director appointed by it.

The founder and institutional shares do not form part of the net asset value of the Company and are thus disclosed in the financial statements by way of this note only. In the opinion of the directors this disclosure reflects the nature of the Company's business as an investment company.

- (i) As at 30 September 2023 and 31 March 2023, the Directors held no accumulator units in the Fund.

HSBC Malta Funds SICAV p.l.c.

Notes to the financial statements

For the period ended 30 September 2023

6 Cash and cash equivalents

Balances of cash and cash equivalents as shown in the statement of cash flows, the statement of financial position and the portfolio of net assets are analysed below:

	Combined 30 Sep 2023 EUR	Malta Bond Fund 30 Sep 2023 EUR	International Bond Fund 30 Sep 2023 EUR	Equity Growth Fund 30 Sep 2023 EUR	Malta Government Bond Fund 30 Sep 2023 EUR	Maltese Assets Fund 30 Sep 2023 EUR
Bank balances	6,139,405	1,206,383	1,385,168	2,173,888	597,495	776,471
Cash and cash equivalents	6,139,405	1,206,383	1,385,168	2,173,888	597,495	776,471
	=====	=====	=====	=====	=====	=====

	Combined 31 Mar 2023 EUR	Malta Bond Fund 31 Mar 2023 EUR	International Bond Fund 31 Mar 2023 EUR	Equity Growth Fund 31 Mar 2023 EUR	Malta Government Bond Fund 31 Mar 2023 EUR	Maltese Assets Fund 31 Mar 2023 EUR
Bank balances	24,187,836	4,502,059	9,423,564	5,397,269	1,510,752	3,354,192
Cash and cash equivalents	24,187,836	4,502,059	9,423,564	5,397,269	1,510,752	3,354,192
	=====	=====	=====	=====	=====	=====

HSBC Malta Funds SICAV p.l.c.

Notes to the financial statements

For the period ended 30 September 2023

7 Taxation

The Funds

The Maltese tax regime for collective investment schemes is based on the classification of funds into 'prescribed' and 'non-prescribed' funds in terms of the conditions set out in the Collective Investment Schemes (Investment Income) Regulations, 2001 (as amended).

In general, a 'prescribed fund' is defined as a resident fund, which has declared that the value of its assets situated in Malta amount to at least 85% of the value of the total assets of the fund. A 'non-prescribed' fund is a fund which does not qualify as a 'prescribed-fund'.

The Malta Bond Fund, the Malta Government Bond Fund and the Maltese Assets Fund which are classified as prescribed funds for Maltese income tax purposes, are subject to a final withholding tax of 15% on Maltese bank interest and 10% on other investment income (as defined in the Maltese Income Tax Act) received by the fund. The Funds are exempt from Maltese income tax on other income and gains except for income and gains derived from immovable property situated in Malta (if any).

On the basis that the International Bond Fund and the Equity Growth Fund are classified as non-prescribed funds for Maltese income tax purposes, these Funds should not be subject to any Maltese income tax on their income or gains other than on income derived from immovable property situated in Malta (if any).

Capital gains, dividends, interests and any other income from foreign securities held by the Funds may be subject to tax imposed by the country of origin concerned and such taxes cannot be recovered by the Funds or by the investors under Maltese domestic tax law.

The investors

Maltese tax legislation currently provides that capital gains realised by investors of the Malta Bond Fund, the Malta Government Bond Fund and the Maltese Assets Fund are exempt from tax in Malta for as long as the Funds remain listed on the Malta Stock Exchange and remain classified as prescribed funds.

Capital gains realised on any redemption, liquidation or cancellation of units by Maltese resident investors of the International Bond Fund, the Equity Growth Fund may be subject to a 15% final withholding tax which would be deducted at source by the Funds. Alternatively, such Maltese resident investors may opt to receive any capital gains without deduction of tax in which case they would be obliged to declare the gains in their personal income tax return and would be subject to Maltese income tax at their normal rates of tax.

Any gains or profits derived on any transfer of units in the Funds by investors who are not resident in Malta should not be chargeable to Maltese income tax, subject to the satisfaction of certain statutory conditions.

Tax treatment of dividend distributions

The distribution by way of dividends of (a) profits which were subject to a final withholding tax at 10% or 15% at Fund level and (b) dividends received by the Funds out of the final tax account, the immovable property account, the Maltese taxed account or the foreign income account of other Maltese companies do not attract any further tax in the hands of the investors. The investor could be entitled to claim a credit of the Maltese tax incurred by the Funds, except where the dividend distribution was paid out of the final tax account.

HSBC Malta Funds SICAV p.l.c.

Notes to the financial statements

For the period ended 30 September 2023

7 Taxation (continued)

Tax treatment of dividend distributions (continued)

The distribution of other profits (including foreign sourced profits) may attract a 15% withholding tax mainly in the case where the unitholder is a Maltese resident unitholder other than a company. The investor may claim a credit of such tax withheld. The distribution of such other profits to non-Maltese resident unitholders and Maltese resident companies is not subject to withholding tax.

8 Fees

8.1 Management fees

Under the terms of an agreement dated 31 January 1997, as subsequently superseded by an agreement dated 2 May 2002, the Company appointed HSBC Global Asset Management (Malta) Limited, a subsidiary of HSBC Bank Malta p.l.c., as Manager. The latter agreement was amended and restated with a new agreement dated 21 July 2014 to set out the terms upon which the Manager accepts to act as Alternative Investment Fund Manager (“AIFM”) in respect of the Company and the Funds. This agreement was amended and restated with a new agreement dated 4 January 2021, following the Company’s conversion into a UCITS retail collective investment scheme.

The Manager charged a management fee of 0.785% per annum from the Malta Bond Fund and the Malta Government Bond Fund, 0.570% per annum from the International Bond Fund, 1.000% per annum from the Equity Growth Fund, and 1.060% per annum from the Maltese Assets Fund, based on the Net Asset Value of each respective Fund on each Dealing Day, payable monthly in arrears.

During the period under review, the Manager received EUR1,284,673 (30 September 2022: EUR1,379,283) as management fees. Management fees amounting to EUR247,413 (31 March 2023: EUR223,036) were due to the Manager at 30 September 2023.

8.2 Administration fees

On 28 September 2018, the Company and the Manager appointed HSBC Securities Services (Ireland) DAC as Administrator and Registrar of the Company and its sub-funds to provide administration, registration and transfer agency services to the Company and to reflect the responsibility of the Manager under Alternative Investment Fund managers Directive (AIFMD) and Alternative Investment Fund Managers Regulations (AIFMR) in ensuring the proper valuation of the assets and the calculation of the Company’s net asset value. This agreement was amended and restated with a new agreement dated 4 January 2021, following the Company’s conversion into a UCITS retail collective investment scheme.

During the period under review, the Administrator received EUR88,294 (30 September 2022: EUR95,106) as administration fees. Administration fees amounting to EUR28,827 (31 March 2023: EUR14,636) were due to the Administrator at 30 September 2023.

8.3 Secretarial fees

Ganado Services Limited charges a fee of EUR2,000 (excluding VAT) per annum for 16 hours of work for acting as Company Secretary to the Company. Additional hours are charged on a time spent basis.

During the period under review, the Company Secretary received EUR9,443 (30 September 2022: EUR10,572) as secretarial fees. Secretarial fees amounting to EUR12,719 (31 March 2023: EUR12,734) were due to the Company secretary at 30 September 2023.

HSBC Malta Funds SICAV p.l.c.

Notes to the financial statements

For the period ended 30 September 2023

8 Fees (continued)

8.4 Depositary and custodianship fees

On 2 December 2016, the Company and the Manager entered into an agreement with Sparkasse Bank Malta p.l.c. under the terms of which the latter was appointed as the Depositary and Custodian of the Company with effect from 5 December 2016. This Agreement was amended and restated with a new agreement dated 4 December 2020 in view of the Company's conversion into a UCITS retail collective investment scheme.

On 11 December 2020, upon the Company's and Manager's request, the Depositary agreed to appoint HSBC Continental Europe as Sub-Custodian to safe-keep financial instruments for markets covered by HSBC London and its sub-custody network.

During the period under review, the Depositary, Custodian and Sub-Custodian received EUR121,645 (30 September 2022: EUR131,302). Depositary, Custodian and Sub-Custodian fees amounting to EUR40,312 (31 March 2023: EUR16,114) were due to the Depositary, Custodian and Sub-Custodian at 30 September 2023.

8.5 Fees charged by the Service Provider

An agreement dated 31 July 2013 was entered into between the Company, the Manager and HSBC Bank Malta p.l.c. In terms of this agreement HSBC Bank Malta p.l.c. was appointed as a Service Provider in respect of the maintenance of the Investment Account System through which all persons purchase and hold units in the Company. This agreement was terminated on 20 July 2014 and superseded by a new agreement entered into on 21 July 2014.

During the period under review, HSBC Bank Malta p.l.c. received an aggregate investment account fee of EUR194,717 (30 September 2022: EUR217,227). Investment account fees amounting to EUR39,150 (31 March 2023: EUR35,249) were due to HSBC Bank Malta p.l.c. at 30 September 2023.

HSBC Malta Funds SICAV p.l.c.

Notes to the financial statements

For the period ended 30 September 2023

9 Portfolio of net assets as at 30 September 2023

Malta Bond Fund

	Denominated in	Fair value EUR	Percentage of total net assets %
<i>Sovereign/supranational bonds</i>			
FRN CCTS Italy EU 15/04/2025	EUR	1,009,732	0.87%
FRN Portugal Government Bond 23/07/2025	EUR	1,012,587	0.88%
2.75% Banque Ouest Africaine de Developpement 22/01/2033	EUR	214,089	0.18%
0.25% Malta Government Bond 18/11/2026	EUR	2,692,200	2.32%
1.40% Malta Government Bond 11/11/2023	EUR	3,106,055	2.68%
1.40% Malta Government Bond 29/07/2024	EUR	6,880,300	5.94%
1.50% Malta Government Bond 15/06/2027	EUR	1,198,080	1.03%
2.30% Malta Government Bond 24/07/2029	EUR	3,200,101	2.76%
3.30% Malta Government Bond 12/11/2024	EUR	909,730	0.79%
4.30% Malta Government Bond 01/08/2033	EUR	709,238	0.61%
4.45% Malta Government Bond 03/09/2032	EUR	2,209,336	1.91%
4.50% Malta Government Bond 25/10/2028	EUR	7,356,450	6.35%
4.65% Malta Government Bond 22/07/2032	EUR	628,260	0.54%
4.80% Malta Government Bond 11/09/2028	EUR	1,022,435	0.88%
5.20% Malta Government Bond 16/09/2031	EUR	1,082,900	0.93%
5.25% Malta Government Bond 23/06/2030	EUR	5,497,014	4.74%
7.00% Malta Government Bond 31/12/2023	EUR	1,311,780	1.14%
6.38% Romanian Government Bond 18/09/2033	EUR	492,926	0.43%
		<u>40,533,213</u>	<u>34.98%</u>
5.00% Banque Ouest Africaine de Developpement 27/07/2027	USD	<u>421,141</u>	<u>0.36%</u>
Total sovereign/supranational bonds		<u>40,954,354</u>	<u>35.34%</u>

HSBC Malta Funds SICAV p.l.c.

Notes to the financial statements

For the period ended 30 September 2023

9 Portfolio of net assets as at 30 September 2023 (continued)

Malta Bond Fund (continued)

	Denominated in	Fair value EUR	Percentage of total net assets %
<i>Corporate bonds</i>			
5.10% 6pm Holdings p.l.c. 31/07/2025	EUR	978,816	0.84%
4.88% Aeroporti di Roma S.p.A. 10/07/2033	EUR	96,645	0.08%
3.25% APS Bank p.l.c. 19/11/2030	EUR	3,539,587	3.05%
3.25% AX Investment p.l.c. 20/12/2029	EUR	759,798	0.66%
3.75% AX Investment p.l.c. 20/12/2029	EUR	287,108	0.25%
6.00% AX Investments p.l.c. 06/03/2024	EUR	1,735,936	1.50%
3.50% Bank of Valletta p.l.c. 08/08/2030	EUR	2,927,116	2.53%
3.75% Bank of Valletta p.l.c. 15/06/2031	EUR	1,220,028	1.05%
10.00% Bank of Valletta p.l.c. 06/12/2027	EUR	6,217,003	5.37%
5.26% Barclays p.l.c. 29/01/2034	EUR	493,250	0.43%
3.90% Browns Pharmacy Holdings p.l.c. 28/05/2031	EUR	479,500	0.41%
4.25% ClearFlowPlus p.l.c. 25/08/2033	EUR	277,603	0.24%
4.25% Corinthia Finance p.l.c. 12/04/2026	EUR	1,694,362	1.46%
7.75% Credit Suisse Group AG 01/03/2029	EUR	552,625	0.48%
4.00% Eden Finance p.l.c. 28/04/2027	EUR	1,425,240	1.23%
4.50% Endo Finance p.l.c. 22/03/2029	EUR	1,269,000	1.10%
4.00% Exalco Finance p.l.c. 20/08/2028	EUR	1,473,725	1.27%
3.50% GO p.l.c. 25/06/2031	EUR	3,113,518	2.69%
6.25% GPH Malta Finance p.l.c. 10/03/2030	EUR	500,125	0.43%
4.50% Grand Harbour Marina p.l.c. 23/08/2027	EUR	506,726	0.44%
5.00% Hal Mann Vella Group p.l.c. 06/11/2024	EUR	462,716	0.40%
3.80% Hili Finance Company p.l.c. 27/08/2029	EUR	2,341,422	2.02%
3.85% Hili Finance Company p.l.c. 24/07/2028	EUR	1,260,675	1.09%
4.00% Hili Finance Company p.l.c. 11/03/2027	EUR	926,550	0.80%
4.50% Hili Properties p.l.c. 16/10/2025	EUR	1,011,753	0.87%
4.13% ING Groep N.V. 24/08/2033	EUR	471,830	0.41%
4.00% International Hotel Investments p.l.c. 29/07/2026	EUR	2,530,767	2.18%
4.00% International Hotel Investments p.l.c. 20/12/2026	EUR	252,782	0.22%
5.75% International Hotel Investments p.l.c. 13/05/2025	EUR	2,298,671	1.98%
5.80% International Hotel Investments p.l.c. 14/11/2023	EUR	349,200	0.30%
5.30% Mariner Finance p.l.c. 03/07/2024	EUR	1,532,183	1.32%
9.75% MDB Group Ltd. 10/02/2031	EUR	447,813	0.39%

HSBC Malta Funds SICAV p.l.c.

Notes to the financial statements

For the period ended 30 September 2023

9 Portfolio of net assets as at 30 September 2023 (continued)

Malta Bond Fund (continued)

	Denominated in	Fair value EUR	Percentage of total net assets %
<i>Corporate bonds (continued)</i>			
4.00% MeDirect Bank (Malta) p.l.c. 05/11/2029	EUR	691,656	0.60%
5.85% Mediterranean Investments Holding p.l.c. 31/07/2028	EUR	541,024	0.47%
4.50% Medserv p.l.c. 05/02/2026	EUR	1,211,509	1.05%
4.30% Mercury Projects Finance p.l.c. 25/04/2032	EUR	2,981,000	2.57%
4.00% Merkanti Holdings p.l.c. 12/08/2026	EUR	2,500,000	2.16%
4.61% Mizuho Financial Group Inc. 28/08/2030	EUR	397,821	0.34%
2.75% Petroleos Mexicanos 21/04/2027	EUR	966,450	0.83%
4.15% Phoenicia Finance Company p.l.c. 15/12/2028	EUR	2,411,875	2.08%
3.75% Premier Capital p.l.c. 23/11/2026	EUR	2,327,118	2.01%
5.10% PTL Holdings p.l.c. 04/12/2024	EUR	800,600	0.69%
4.35% SD Finance p.l.c. 25/04/2027	EUR	3,622,038	3.13%
4.00% Shoreline Mall p.l.c. 01/08/2026	EUR	1,316,490	1.14%
4.50% Shoreline Mall p.l.c. 01/08/2032	EUR	2,495,090	2.15%
3.50% Simonds Farsons Cisk p.l.c. 13/09/2027	EUR	1,436,105	1.24%
4.00% Stivala Group Finance p.l.c. 18/10/2027	EUR	422,294	0.36%
3.75% Tumas Investments p.l.c. 10/07/2027	EUR	387,512	0.33%
5.00% Tumas Investments p.l.c. 31/07/2024	EUR	1,602,079	1.38%
3.75% Virtu Finance p.l.c. 30/11/2027	EUR	975,859	0.84%
		70,520,593	60.86%
6.38% Charter Communications Operating LLC 23/10/2035	USD	88,215	0.08%
5.38% EnfraGen Energia Sur SA 30/12/2030	USD	132,339	0.11%
0.77% JPMorgan Chase & Co. 09/08/2025	USD	449,938	0.39%
5.75% Medserv p.l.c. 05/02/2026	USD	790,805	0.68%
3.85% Viatris Inc. 22/06/2040	USD	307,486	0.27%
		1,768,783	1.53%
Total corporate bonds		72,289,376	62.39%

HSBC Malta Funds SICAV p.l.c.

Notes to the financial statements

For the period ended 30 September 2023

9 Portfolio of net assets as at 30 September 2023 (continued)

Malta Bond Fund (continued)

	Denominated in	Fair value EUR	Percentage of total net assets %
<i>Corporate bonds (continued)</i>			
Portfolio of investments		113,243,730	97.73%
Bank balances		1,206,383	1.04%
Other net current assets		1,419,271	1.23%
Net assets		115,869,384	100.00%

The portfolio of investments comprises financial instruments at fair value through profit or loss.

HSBC Malta Funds SICAV p.l.c.

Notes to the financial statements

For the period ended 30 September 2023

9 Portfolio of net assets as at 30 September 2023 (continued)

International Bond Fund

	Denominated in	Fair value EUR	Percentage of total net assets %
<i>Sovereign/supranational bonds</i>			
FRN CCTS Italy EU 15/04/2025	EUR	1,262,165	2.52%
FRN CCTS Italy EU 15/04/2029	EUR	978,225	1.95%
FRN Portugal Government Bond 23/07/2025	EUR	1,215,104	2.43%
1.25% Andorra International Bond 23/02/2027	EUR	451,922	0.90%
3.60% Autonomous Community of Madrid 30/04/2033	EUR	481,638	0.96%
2.75% Banque Ouest Africaine de Developpement 22/01/2033	EUR	499,541	1.00%
4.50% Bulgaria Government Bond 27/01/2033	EUR	289,864	0.58%
4.13% Chile Government Bond 05/07/2034	EUR	1,051,999	2.10%
0.63% Corporacion Andina de Fomento 30/01/2024	EUR	987,913	1.97%
0.63% Corporacion Andina de Fomento 20/11/2026	EUR	669,409	1.34%
3.38% Indonesia RE Government Bond 30/07/2025	EUR	492,600	0.98%
2.38% Israel Government Bond 18/01/2037	EUR	79,460	0.16%
2.25% Mexico Government Bond 12/08/2036	EUR	352,792	0.71%
2.75% Peruvian Government International Bond 30/01/2026	EUR	481,303	0.96%
0.88% Philippines Government International Bond 01/05/2027	EUR	445,312	0.89%
3.38% Romanian Government Bond 08/02/2038	EUR	705,833	1.41%
6.38% Romanian Government Bond 18/09/2033	EUR	492,926	0.99%
0.00% Saudi Arabia Government Bond 03/03/2024	EUR	540,193	1.08%
1.00% Spain Government Bond 30/11/2030	EUR	1,197,332	2.39%
		<u>12,675,531</u>	<u>25.32%</u>
4.95% Chile Government Bond 05/01/2036	USD	868,147	1.74%
Total sovereign/supranational bonds		<u>13,543,678</u>	<u>27.06%</u>

HSBC Malta Funds SICAV p.l.c.

Notes to the financial statements

For the period ended 30 September 2023

9 Portfolio of net assets as at 30 September 2023 (continued)

International Bond Fund (continued)

	Denominated in	Fair value EUR	Percentage of total net assets %
<i>Corporate bonds</i>			
FRN Credit Suisse Group AG 16/01/2026	EUR	999,750	2.00%
FRN Volkswagen International Finance N.V. 16/11/2024	EUR	1,012,572	2.02%
4.88% Aeroporti di Roma S.p.A. 10/07/2033	EUR	193,289	0.39%
1.88% Alimentation Couche-Tard Inc. 06/05/2026	EUR	470,794	0.94%
2.70% Anheuser-Busch InBev S.A./N.V. 31/03/2026	EUR	487,070	0.97%
3.25% APS Bank p.l.c. 19/11/2030	EUR	339,413	0.68%
0.37% Athene Global Funding 10/09/2026	EUR	437,994	0.87%
3.25% AXA S.A. VRN 28/05/2049	EUR	449,286	0.90%
1.00% Banco Bilbao Vizcaya Argentaria S.A. 16/01/2030	EUR	658,806	1.32%
5.38% Banco de Sabadell SA VRN 08/09/2026	EUR	499,453	1.00%
0.10% Banco Santander SA 26/01/2025	EUR	789,477	1.58%
3.65% Bank of America Corporate FRN 31/03/2029	EUR	483,445	0.97%
10.00% Bank of Valletta p.l.c. 06/12/2027	EUR	1,607,846	3.21%
5.26% Barclays p.l.c. 29/01/2034	EUR	493,250	0.99%
2.00% Blackstone Property Partners Europe Holdings S.a.r.l. 15/02/2024	EUR	888,881	1.78%
2.88% Caixa Geral de Depositos S.A. 15/06/2026	EUR	775,530	1.55%
1.38% CaixaBank S.A. 19/06/2026	EUR	368,905	0.74%
3.13% CETIN Group N.V. 14/04/2027	EUR	185,914	0.37%
2.00% CGNPC International Limited 11/09/2025	EUR	475,118	0.95%
1.00% CK Hutchison Europe Finance 21 Ltd. 02/11/2033	EUR	352,696	0.70%
7.75% Credit Suisse Group AG 01/03/2029	EUR	884,199	1.77%
4.75% Electricite de France S.A. 12/10/2034	EUR	997,482	1.99%
5.00% Electricite de France VRN Perp	EUR	478,888	0.96%
4.50% Endo Finance p.l.c. 22/03/2029	EUR	188,000	0.38%
4.00% Exalco Finance 20/08/2028	EUR	113,751	0.23%
1.63% FedEx Corp. 11/01/2027	EUR	463,086	0.93%
2.50% Ferrovial Emisiones SA 15/07/2024	EUR	197,421	0.39%
1.74% Ford Motor Credit Co LLC 19/07/2024	EUR	487,463	0.97%
3.50% GO p.l.c. 25/06/2031	EUR	378,278	0.76%

HSBC Malta Funds SICAV p.l.c.

Notes to the financial statements

For the period ended 30 September 2023

9 Portfolio of net assets as at 30 September 2023 (continued)

International Bond Fund (continued)

	Denominated in	Fair value EUR	Percentage of total net assets %
<i>Corporate bonds (continued)</i>			
3.80% Hili Finance Company p.l.c. 27/08/2029	EUR	468,284	0.95%
3.85% Hili Finance Company p.l.c. 24/07/2028	EUR	387,900	0.77%
4.13% ING Groep N.V. 24/08/2033	EUR	188,732	0.38%
1.00% Jefferies Group LLC 19/07/2024	EUR	487,002	0.97%
9.75% MDB Group Ltd. 10/02/2031	EUR	268,688	0.54%
4.00% Merkanti Holdings p.l.c. 12/08/2026	EUR	750,000	1.50%
1.88% Merlin Properties Socimi SA 02/11/2026	EUR	465,902	0.93%
2.38% Merlin Properties Socimi SA 18/09/2029	EUR	263,802	0.53%
4.61% Mizuho Financial Group Inc. 28/08/2030	EUR	1,989,106	3.97%
2.00% Natwest Group p.l.c. 04/03/2025	EUR	692,668	1.38%
3.88% Netflix Inc. 15/11/2029	EUR	485,906	0.97%
4.15% Phoenicia Finance Company p.l.c. 15/12/2028	EUR	361,781	0.72%
1.99% Prosus N.V. 13/07/2033	EUR	469,163	0.94%
0.25% Royal Bank of Canada 02/05/2024	EUR	489,103	0.98%
0.13% Santander Consumer Bank AS 11/09/2024	EUR	481,250	0.95%
2.75% Telecom Italia 15/04/2025	EUR	717,630	1.42%
4.00% The Goldman Sachs Group Inc. 21/09/2029	EUR	194,856	0.39%
1.63% TotalEnergies Perp NC	EUR	418,997	0.83%
3.50% Volkswagen International Finance NV VRN Perp	EUR	602,864	1.19%
		<u>26,341,691</u>	<u>52.62%</u>
FRN Citigroup Inc. 24/02/2028	USD	943,343	1.89%
FRN JPMorgan Chase & Co. 24/02/2028	USD	707,850	1.41%
3.40% Alibaba Group Holding Ltd. 06/12/2027	USD	434,132	0.87%
5.54% AT & T Inc. 20/02/2026	USD	702,679	1.40%
4.38% Barclays p.l.c. 12/01/2026	USD	316,989	0.63%
5.14% Canadian Imperial Bank of Commerce 28/04/2025	USD	932,606	1.86%
6.38% Charter Communications Operating LLC 23/10/2035	USD	88,215	0.18%
5.60% General Motors Co. 15/10/2032	USD	661,619	1.32%
0.77% JPMorgan Chase & Co. 09/08/2025	USD	449,938	0.90%
7.25% MC Brazil Downstream Trading S.a.r.l. 30/06/2031	USD	420,061	0.84%

HSBC Malta Funds SICAV p.l.c.

Notes to the financial statements

For the period ended 30 September 2023

9 Portfolio of net assets as at 30 September 2023 (continued)

International Bond Fund (continued)

	Denominated in	Fair value EUR	Percentage of total net assets %
<i>Corporate bonds (continued)</i>			
3.88% Morgan Stanley 29/04/2024	USD	466,662	0.93%
5.12% Morgan Stanley 01/02/2029	USD	454,920	0.91%
2.30% PayPal Holdings Inc. 01/06/2030	USD	386,332	0.77%
4.13% Reliance Industries Ltd. 28/01/2025	USD	922,173	1.84%
3.85% Viatris Inc. 22/06/2040	USD	307,486	0.61%
		<u>8,195,005</u>	<u>16.37%</u>
Total corporate bonds		<u>34,536,696</u>	<u>68.99%</u>
Portfolio of investments		48,080,374	96.05%
Bank balances		1,385,168	2.77%
Other net current assets		594,237	1.18%
Net assets		<u>50,059,779</u>	<u>100.00%</u>

The portfolio of investments comprises financial instruments at fair value through profit or loss.

HSBC Malta Funds SICAV p.l.c.

Notes to the financial statements

For the period ended 30 September 2023

9 Portfolio of net assets as at 30 September 2023 (continued)

Equity Growth Fund

	Denominated in	Fair value EUR	Percentage of total net assets %
Corporate bond			
10.00% Bank of Valletta p.l.c. 06/12/2027	EUR	1,607,845	4.31%
2.00% Blackstone Property Partners Europe Holdings S.a.r.l. 15/02/2024	EUR	395,058	1.06%
4.13% ING Groep N.V. 24/08/2033	EUR	188,732	0.51%
9.75% MDB Group Ltd. 10/02/2031	EUR	89,563	0.24%
		<u>2,281,198</u>	<u>6.12%</u>
1.34% Capital One Financial Corporation 06/12/2024	USD	513,235	1.38%
6.38% Charter Communications Operating LLC 23/10/2035	USD	176,430	0.47%
0.77% JPMorgan Chase & Co. 09/08/2025	USD	179,975	0.48%
7.25% MC Brazil Downstream Trading S.a.r.l. 30/06/2031	USD	350,051	0.94%
		<u>1,219,691</u>	<u>3.27%</u>
Total corporate bond		<u>3,500,889</u>	<u>9.39%</u>
Equity investments			
APS Bank p.l.c.	EUR	877,495	2.35%
Bank of Valletta p.l.c.	EUR	1,284,811	3.45%
BMIT Technologies p.l.c.	EUR	229,996	0.62%
Citadel Insurance Ltd. Private Equity	EUR	54,338	0.15%
Go p.l.c.	EUR	674,322	1.81%
Hili Properties p.l.c.	EUR	66,960	0.18%
HSBC Bank Malta p.l.c.	EUR	641,386	1.72%
International Hotel Investments p.l.c.	EUR	308,434	0.83%
Lombard Bank (Malta) p.l.c.	EUR	246,116	0.66%
M&Z p.l.c.	EUR	129,800	0.35%
Malita Investments p.l.c.	EUR	232,938	0.62%
Malta International Airport p.l.c.	EUR	805,177	2.16%
Malta Properties Company p.l.c.	EUR	162,096	0.43%
Maltapost p.l.c.	EUR	78,911	0.21%
Medserv p.l.c.	EUR	113,830	0.31%
Midi p.l.c.	EUR	217,717	0.58%
PG p.l.c.	EUR	1,167,251	3.13%
Plaza Centres p.l.c.	EUR	26,157	0.07%

HSBC Malta Funds SICAV p.l.c.

Notes to the financial statements

For the period ended 30 September 2023

9 Portfolio of net assets as at 30 September 2023 (continued)

Equity Growth Fund (continued)

	Denominated in	Fair value EUR	Percentage of total net assets %
<i>Equity Investments (continued)</i>			
RS2 Software p.l.c.	EUR	425,142	1.14%
Simonds Farsons Cisk p.l.c.	EUR	410,779	1.10%
The Convenience Shop Holding p.l.c.	EUR	242,285	0.65%
Tigne Mall p.l.c.	EUR	321,867	0.86%
Trident Estates p.l.c.	EUR	35,869	0.10%
VBL p.l.c.	EUR	350,898	0.94%
		<u>9,104,575</u>	<u>24.42%</u>
Apple Inc.	USD	<u>646,800</u>	<u>1.73%</u>
Total equity securities		<u>9,751,375</u>	<u>26.15%</u>
<i>Exchange traded funds</i>			
HSBC MSCI CANADA UCITS ETF	EUR	958,725	2.57%
HSBC MSCI EUROPE ETF	EUR	1,543,650	4.14%
iShares STOXX Europe 600 Telecom (DE) ETF	EUR	55,008	0.15%
iShares STOXX Europe 600 UCITS (DE) ETF	EUR	445,275	1.19%
SPDR MSCI Emerging Markets UCITS ETF	EUR	774,945	2.08%
		<u>3,777,603</u>	<u>10.13%</u>
iShares CORE FTSE 100 UCITS ETF	GBP	<u>958,364</u>	<u>2.57%</u>
HSBC MSCI CHINA UCITS ETF	USD	1,881,842	5.05%
HSBC MSCI Emerging Markets UCITS ETF	USD	697,908	1.87%
HSBC S&P 500 UCITS ETF	USD	739,764	1.98%
iShares Core MSCI Japan IMI UCITS ETF	USD	1,476,623	3.96%
iShares Dow Jones Industrial Average UCITS ETF	USD	663,213	1.78%
iShares Edge MSCI USA Quality Factor ETF (Acc)	USD	773,199	2.07%
iShares MSCI Australia UCITS ETF	USD	381,795	1.02%
iShares MSCI Brazil UCITS ETF (DE)	USD	448,231	1.20%
iShares NASDAQ 100 UCITS ETF	USD	951,073	2.55%
iShares S&P 500 Communication Sector UCITS ETF (Acc)	USD	478,942	1.28%

HSBC Malta Funds SICAV p.l.c.

Notes to the financial statements

For the period ended 30 September 2023

9 Portfolio of net assets as at 30 September 2023 (continued)

Equity Growth Fund (continued)

	Denominated in	Fair value EUR	Percentage of total net assets %
<i>Exchange traded funds (continued)</i>			
iShares S&P 500 Consumer Discretionary Sector UCITS ETF	USD	456,907	1.23%
iShares S&P 500 Energy Sector UCITS ETF (Acc)	USD	901,099	2.42%
iShares S&P 500 Financials Sector UCITS ETF (Acc)	USD	1,608,094	4.31%
iShares S&P 500 Health Care Sector UCITS ETF (Acc)	USD	1,139,362	3.06%
iShares S&P 500 Information Technology Sector UCITS ETF	USD	2,203,377	5.91%
SPDR S&P U.S. Consumer Staples Select Sector UCITS ETF	USD	782,678	2.10%
SPDR S&P U.S. Industrials Select Sector UCITS ETF	USD	812,751	2.18%
		<u>16,396,858</u>	<u>43.97%</u>
Total exchange traded funds		<u>21,132,825</u>	<u>56.67%</u>
<i>Collective investment schemes</i>			
HSBC Global Investment Funds - Euroland Equity	EUR	<u>534,077</u>	<u>1.43%</u>
Total collective investment schemes		<u>534,077</u>	<u>1.43%</u>
<i>Rights</i>			
Lombard Bank Malta p.l.c. NPV Rights	EUR	<u>10,062</u>	<u>0.03%</u>
Total rights		<u>10,062</u>	<u>0.03%</u>
Portfolio of investments		34,929,228	93.67%
Bank balances		2,173,888	5.83%
Other net current assets		185,192	0.50%
Net assets		<u>37,288,308</u>	<u>100.00%</u>

The portfolio of investments comprises financial instruments at fair value through profit or loss.

HSBC Malta Funds SICAV p.l.c.

Notes to the financial statements

For the period ended 30 September 2023

9 Portfolio of net assets as at 30 September 2023 (continued)

Malta Government Bond Fund

	Denominated in	Fair value EUR	Percentage of total net assets %
<i>Sovereign/supranational bonds</i>			
FRN CCTS Italy EU 15/04/2025	EUR	2,019,464	3.58%
FRN Portugal Obrigacoes do Tesouro OT 23/07/2025	EUR	1,518,880	2.69%
2.75% Banque Ouest Africaine de Developpement 22/01/2033	EUR	142,726	0.25%
4.13% Chile Government Bond 05/07/2034	EUR	380,500	0.67%
0.63% Corporacion Andina de Fomento 30/01/2024	EUR	1,481,870	2.63%
2.38% Israel Government Bond 18/01/2037	EUR	238,380	0.42%
0.25% Malta Government Bond 18/11/2026	EUR	2,692,200	4.77%
1.00% Malta Government Bond 23/08/2035	EUR	423,180	0.75%
1.40% Malta Government Bond 11/11/2023	EUR	998,250	1.77%
1.40% Malta Government Bond 29/07/2024	EUR	5,288,002	9.37%
1.50% Malta Government Bond 15/06/2027	EUR	921,600	1.63%
2.30% Malta Government Bond 24/07/2029	EUR	6,014,078	10.66%
4.00% Malta Government Bond 05/12/2033	EUR	497,050	0.88%
4.30% Malta Government Bond 15/11/2038	EUR	995,450	1.76%
4.45% Malta Government Bond 03/09/2032	EUR	4,195,983	7.43%
4.50% Malta Government Bond 25/10/2028	EUR	8,829,593	15.65%
4.80% Malta Government Bond 11/09/2028	EUR	1,713,892	3.04%
5.10% Malta Government Bond 01/10/2029	EUR	1,476,124	2.62%
5.20% Malta Government Bond 16/09/2031	EUR	4,331,600	7.68%
5.25% Malta Government Bond 23/06/2030	EUR	8,417,605	14.92%
3.75% Malta Government Bond 17/08/2033	EUR	975,500	1.73%
6.38% Romanian Government Bond 18/09/2033	EUR	295,756	0.52%
6.63% Romanian Government Bond 27/09/2029	EUR	282,374	0.50%
0.00% Saudi Arabia Government Bond 03/03/2024	EUR	294,651	0.52%
2.00% Saudi Arabia Government Bond 09/07/2039	EUR	702,083	1.24%
1.00% Spain Government Bond 30/11/2030	EUR	598,666	1.06%
Total sovereign/supranational bonds		55,725,457	98.74%

HSBC Malta Funds SICAV p.l.c.

Notes to the financial statements

For the period ended 30 September 2023

9 Portfolio of net assets as at 30 September 2023 (continued)

Malta Government Bond Fund (continued)

	Denominated in	Fair value EUR	Percentage of total net assets %
<i>Sovereign/supranational bonds (continued)</i>			
Portfolio of investments		55,725,457	98.74%
Bank balances		597,495	1.06%
Other net current assets		113,445	0.20%
Net assets		<u>56,436,397</u>	<u>100.00%</u>

The portfolio of investments comprises financial instruments at fair value through profit or loss.

HSBC Malta Funds SICAV p.l.c.

Notes to the financial statements

For the period ended 30 September 2023

9 Portfolio of net assets as at 30 September 2023 (continued)

Maltese Assets Fund

	Denominated in	Fair value EUR	Percentage of total net assets %
<i>Sovereign/supranational bonds</i>			
2.75% Banque Ouest Africaine de Developpement 22/01/2033	EUR	142,726	0.28%
2.38% Israel Government Bond 18/01/2037	EUR	79,460	0.15%
2.30% Malta Government Bond 24/07/2029	EUR	918	0.00%
2.90% Malta Government Bond 24/10/2032	EUR	412,223	0.80%
3.75% Malta Government Bond 17/08/2033	EUR	487,750	0.94%
4.00% Malta Government Bond 05/12/2033	EUR	497,050	0.96%
4.10% Malta Government Bond 18/10/2034	EUR	420,420	0.81%
4.30% Malta Government Bond 15/11/2038	EUR	497,725	0.96%
4.45% Malta Government Bond 03/09/2032	EUR	516,200	1.00%
5.20% Malta Government Bond 16/09/2031	EUR	108,290	0.21%
3.38% Romanian Government Bond 08/02/2038	EUR	282,333	0.54%
3.88% Romanian Government Bond 29/10/2035	EUR	155,968	0.30%
6.38% Romanian Government Bond 18/09/2033	EUR	197,170	0.38%
Total Sovereign/supranational bonds		3,798,233	7.33%
<i>Corporate bonds</i>			
5.10% 6pm Holdings p.l.c. 31/07/2025	EUR	378,575	0.73%
4.88% Aeroporti di Roma S.p.A. 10/07/2033	EUR	96,645	0.19%
3.25% AX Investment p.l.c. 20/12/2029	EUR	101,326	0.20%
3.75% AX Investment p.l.c. 20/12/2029	EUR	93,642	0.18%
6.00% AX Investments p.l.c. 06/03/2024	EUR	156,278	0.30%
3.90% Browns Pharmacy Holdings p.l.c. 28/05/2031	EUR	143,850	0.28%
4.25% ClearFlowPlus p.l.c. 25/08/2033	EUR	176,438	0.34%
4.25% Corinthia Finance p.l.c. 12/04/2026	EUR	180,464	0.35%
4.00% Eden Finance p.l.c. 28/04/2027	EUR	98,975	0.19%
4.50% Endo Finance p.l.c. 22/03/2029	EUR	141,000	0.27%
4.00% Exalco Finance p.l.c. 20/08/2028	EUR	196,295	0.38%
6.25% GPH Malta Finance p.l.c. 10/03/2030	EUR	200,050	0.39%
4.50% Grand Harbour Marina p.l.c. 23/08/2027	EUR	32,827	0.06%

HSBC Malta Funds SICAV p.l.c.

Notes to the financial statements

For the period ended 30 September 2023

9 Portfolio of net assets as at 30 September 2023 (continued)

Maltese Assets Fund (continued)

	Denominated in	Fair value EUR	Percentage of total net assets %
<i>Corporate bonds (continued)</i>			
5.00% Hal Mann Vella Group p.l.c. 06/11/2024	EUR	131,403	0.25%
3.80% Hili Finance Company p.l.c. 27/08/2029	EUR	613,452	1.18%
3.85% Hili Finance Company p.l.c. 24/07/2028	EUR	290,925	0.56%
4.50% Hili Properties p.l.c. 16/10/2025	EUR	202,764	0.39%
4.13% ING Groep N.V. 24/08/2033	EUR	94,366	0.18%
4.00% International Hotel Investments p.l.c. 29/07/2026	EUR	114,171	0.22%
9.75% MDB Group Ltd. 10/02/2031	EUR	89,563	0.17%
4.00% MeDirect Bank (Malta) p.l.c. 05/11/2029	EUR	28,193	0.05%
5.85% Mediterranean Investments Holding p.l.c. 31/07/2028	EUR	152,045	0.29%
4.50% Medserv p.l.c. 05/02/2026	EUR	798,783	1.54%
4.30% Mercury Projects Finance p.l.c. 25/04/2032	EUR	298,100	0.58%
4.00% Merkanti Holding p.l.c. 12/08/2026	EUR	600,000	1.16%
4.61% Mizuho Financial Group Inc. 28/08/2030	EUR	99,455	0.19%
3.75% Premier Capital p.l.c. 23/11/2026	EUR	261,525	0.50%
2.09% Prosus N.V. 19/01/2030	EUR	231,287	0.45%
4.35% SD Finance p.l.c. 25/04/2027	EUR	48,694	0.09%
4.50% Shoreline Mall p.l.c. 01/08/2032	EUR	671,755	1.30%
3.50% Simonds Farsons Cisk p.l.c. 13/09/2027	EUR	36	0.00%
3.75% Tumas Investments p.l.c. 10/07/2027	EUR	290,925	0.56%
5.00% Tumas Investments p.l.c. 31/07/2024	EUR	237,457	0.46%
		<u>7,251,264</u>	<u>13.98%</u>
1.34% Capital One Financial Corporation 06/12/2024	USD	513,235	0.99%
6.38% Charter Communications Operating LLC 23/10/2035	USD	44,107	0.09%
0.77% JPMorgan Chase & Co. 09/08/2025	USD	449,938	0.87%
7.25% MC Brazil Downstream Trading S.a.r.l. 30/06/2031	USD	140,020	0.27%
5.75% Medserv p.l.c. 05/02/2026	USD	159,759	0.31%
1.88% Orbia Advance Corporate SAB de CV 11/05/2026	USD	253,921	0.49%
1.09% Santander UK Group Holdings p.l.c. 15/03/2025	USD	367,650	0.71%
3.85% Viatris Inc. 22/06/2040	USD	122,994	0.24%
		<u>2,051,624</u>	<u>3.97%</u>

HSBC Malta Funds SICAV p.l.c.

Notes to the financial statements

For the period ended 30 September 2023

9 Portfolio of net assets as at 30 September 2023 (continued)

Maltese Assets Fund (continued)

	Denominated in	Fair value EUR	Percentage of total net assets %
<i>Corporate bonds (continued)</i>			
Total corporate bonds		9,302,888	17.95%
<i>Equity investments</i>			
APS Bank p.l.c.	EUR	2,383,373	4.60%
Bank of Valletta p.l.c.	EUR	5,277,729	10.18%
BMIT Technologies p.l.c.	EUR	1,282,519	2.47%
Citadel Insurance Ltd. Private Equity	EUR	489,982	0.95%
The Convenience Shop Holding p.l.c.	EUR	724,278	1.40%
Go p.l.c.	EUR	2,295,489	4.43%
Hili Properties p.l.c.	EUR	156,240	0.30%
HSBC Bank Malta p.l.c.	EUR	2,839,943	5.48%
International Hotel Investments p.l.c.	EUR	1,618,320	3.12%
Lombard Bank (Malta) p.l.c.	EUR	737,288	1.42%
M&Z p.l.c.	EUR	450,763	0.87%
Malita Investments p.l.c.	EUR	357,755	0.69%
Malta International Airport p.l.c.	EUR	3,128,991	6.04%
Malta Properties Co. p.l.c.	EUR	607,033	1.17%
Maltapost p.l.c.	EUR	451,631	0.87%
Medserv p.l.c.	EUR	521,785	1.01%
Midi p.l.c.	EUR	911,361	1.76%
PG p.l.c.	EUR	3,295,018	6.36%
Plaza Centres p.l.c.	EUR	150,424	0.29%
RS2 Software p.l.c.	EUR	2,468,385	4.76%
Simonds Farsons Cisk p.l.c.	EUR	1,343,556	2.59%
Tigne Mall p.l.c.	EUR	1,663,102	3.21%
Trident Estates p.l.c.	EUR	98,643	0.19%
VBL p.l.c.	EUR	577,990	1.12%
		33,831,598	65.28%
FIMBank p.l.c.	USD	459,139	0.89%
Total equity investments		34,290,737	66.17%

HSBC Malta Funds SICAV p.l.c.

Notes to the financial statements

For the period ended 30 September 2023

9 Portfolio of net assets as at 30 September 2023 (continued)

Maltese Assets Fund (continued)

	Denominated in	Fair value EUR	Percentage of total net assets %
<i>Exchange traded funds</i>			
HSBC MSCI CHINA UCITS ETF	EUR	718,835	1.39%
IShares STOXX Europe 600 UCITS (DE) ETF	EUR	267,165	0.52%
Lyxor CAC 40 (DR) UCITS ETF	EUR	216,660	0.42%
Lyxor DAX (DR) UCITS ETF	EUR	213,030	0.41%
		<u>1,415,690</u>	<u>2.74%</u>
HSBC MSCI Emerging Markets ETF	USD	317,149	0.61%
Ishares Core S And P 500 UCITS ETF	USD	851,561	1.64%
iShares MSCI Brazil UCITS ETF	USD	34,479	0.07%
iShares S&P 500 Information Technology ETF	USD	701,074	1.35%
		<u>1,904,263</u>	<u>3.67%</u>
Total exchange traded funds		<u>3,319,953</u>	<u>6.41%</u>
<i>Rights</i>			
Lombard Bank Malta p.l.c. NPV Rights	EUR	30,144	0.06%
Total Rights		<u>30,144</u>	<u>0.06%</u>
Portfolio of investments		50,741,955	97.92%
Bank balances		776,471	1.50%
Other net current assets		301,562	0.58%
Net assets		<u>51,819,988</u>	<u>100.00%</u>

The portfolio of investments comprises financial instruments at fair value through profit or loss.

HSBC Malta Funds SICAV p.l.c.

Notes to the financial statements

For the period ended 30 September 2023

9 Portfolio of net assets as at 30 September 2023 (continued)

9.1 Further disclosures on portfolio of investments

Summary of material changes in the composition of the portfolio of investments:

Malta Bond Fund

The composition of the portfolio of investments shown on pages 61 to 64 in comparison with the portfolio of investments as at 31 March 2023 is analysed below:

Percentage of net assets:

	30 September 2023	31 March 2023
	%	%
Sovereign/supranational bonds	35.34	37.32
Corporate bonds	62.39	57.50
	-----	-----
	97.73	94.82
	=====	=====

International Bond Fund

The composition of the portfolio of investments shown on pages 65 to 68 in comparison with the portfolio of investments as at 31 March 2023 is analysed below:

Percentage of net assets:

	30 September 2023	31 March 2023
	%	%
Sovereign/supranational bonds	27.06	27.04
Corporate bonds	68.99	53.36
	-----	-----
	96.05	80.40
	=====	=====

HSBC Malta Funds SICAV p.l.c.

Notes to the financial statements

For the period ended 30 September 2023

9 Portfolio of net assets as at 30 September 2023 (continued)

9.1 Further disclosures on portfolio of investments (continued)

Summary of material changes in the composition of the portfolio of investments (continued):

Equity Growth Fund

The composition of the portfolio of investments shown on pages 69 to 71 in comparison with the portfolio of investments as at 31 March 2023 is analysed below:

Percentage of net assets:

	30 September 2023 %	31 March 2023 %
Corporate bond	9.39	3.18
Equity investments	26.15	23.63
Exchange traded funds	56.67	55.07
Collective investment schemes	1.43	1.55
Rights	0.03	-
	-----	-----
	93.67	83.43
	=====	=====

Malta Government Bond Fund

The composition of the portfolio of investments shown on pages 72 to 73 in comparison with the portfolio of investments as at 31 March 2023 is analysed below:

Percentage of net assets:

	30 September 2023 %	31 March 2023 %
Sovereign/supranational bonds	98.74	97.02
	-----	-----
	98.74	97.02
	=====	=====

HSBC Malta Funds SICAV p.l.c.

Notes to the financial statements

For the period ended 30 September 2023

9 Portfolio of net assets as at 31 March 2024 (continued)

9.1 Further disclosures on portfolio of investments (continued)

Summary of material changes in the composition of the portfolio of investments (continued):

Maltese Assets Fund

The composition of the portfolio of investments shown on pages 74 to 77 in comparison with the portfolio of investments as at 31 March 2023 is analysed below:

Percentage of net assets:

	30 September 2023 %	31 March 2023 %
Sovereign/supranational bonds	7.33	4.80
Corporate bonds	17.95	18.14
Equity investments	66.17	63.24
Exchange traded funds	6.41	6.52
Rights	0.06	-
	-----	-----
	97.92	92.70
	=====	=====

HSBC Malta Funds SICAV p.l.c.

Notes to the financial statements

For the period ended 30 September 2023

10 Dividend distributions

During the period, the dividends declared and paid out of the Income Share Class of the Malta Bond Fund, International Bond Fund, Malta Government Bond Fund and Maltese Assets Fund were as follows:

	Ex-dividend date	Currency	Rate per share	Dividend paid	Dividend payable
Malta Bond Fund	31-Mar-23	EUR	2.253	37,551	
	30-June-23	EUR	2.278	37,510	
	30-Sept-23	EUR	2.394		38,544
International Bond Fund	31-Mar-23	EUR	0.946	3,388	
	31-Mar-23	GBP	0.830	694	
	30-June-23	EUR	1.058	3,739	
	30-June-23	GBP	0.907	712	
	30-Sept-23	EUR	1.521		5,319
	30-Sept-23	GBP	1.319		1,024
Malta Government Bond Fund	31-Mar-23	EUR	0.984	19,286	
	30-June-23	EUR	1.185	22,523	
	30-Sept-23	EUR	1.229		22,697
Maltese Assets Fund	31-Mar-23	EUR	1.435	728	
	30-June-23	EUR	2.958	1,502	
	30-Sept-23	EUR	2.133		1,071
Malta Bond Fund	31-Mar-22	EUR	1.822	34,587	
	30-Jun-22	EUR	1.951	35,538	
	30-Sep-22	EUR	2.004		34,827
International Bond Fund	31-Mar-22	EUR	0.705	2,797	
	31-Mar-22	GBP	0.595	663	
	30-Jun-22	EUR	0.662	2,563	
	30-Jun-22	GBP	0.569	623	
	30-Sep-22	EUR	0.788		2,963
	30-Sep-22	GBP	0.692		721
Malta Government Bond Fund	31-Mar-22	EUR	0.929	20,427	
	30-Jun-22	EUR	0.916	19,544	
	30-Sep-22	EUR	1.058		21,215
Maltese Assets Fund	31-Mar-22	EUR	1.195	652	
	01-Jun-22	EUR	1.380	753	

HSBC Malta Funds SICAV p.l.c.

Notes to the financial statements

For the period ended 30 September 2023

10 Dividend distributions (continued)

Subsequent to period end, the Directors proposed to distribute a further final dividend amounting to EUR38,544 (30 September 2022: EUR34,827) to the Income Share Class of the Malta Bond Fund, EUR6,343 (30 September 2022: EUR3,596) to the Income Share Class of the International Bond Fund, EUR22,697 (30 September 2022: EUR21,215) to the Income Share Class of Malta Government Bond Fund, and EUR1,071 (30 September 2022: EUR Nil) to Income Share Class of Maltese Assets Fund. These amounts have been transferred to the Distribution Account in accordance with the Investments Services Rules.

Following deduction of dividend administration fee, the net dividend payable to the Income Share Class of the Malta Bond Fund, the International Bond Fund, the Malta Government Bond Fund and the Maltese Assets Fund, amounted to EUR36,638 (30 September 2022: EUR32,735), EUR5,900 (30 September 2022: EUR2,711), EUR20,982 (30 September 2022: EUR19,337), and EUR964 (30 September 2022: EUR Nil) respectively.

The dividend administration fee charged on the Malta Bond Fund, the International Bond Fund, the Malta Government Bond Fund and the Maltese Assets Fund for the period ended 30 September 2023 amounted to 0.0033% (30 September 2022: 0.0033%), 0.0018% (30 September 2022: 0.0028%), 0.0062% (30 September 2022: 0.0058%) and 0.0004% (30 September 2022: 0.0010%) of the closing Net Asset Value, respectively.

11 Related party transactions

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions, as disclosed in Note 8.

(a) Management fee

During the period under review, the Manager received EUR1,284,673 (30 September 2022: EUR1,379,283) as management fees. Management fees amounting to EUR247,413 (31 March 2023: EUR223,036) were due to the Manager at 30 September 2023.

(b) Administration fees

During the period under review, the Administrator received EUR88,294 (30 September 2022: EUR95,106) as administration fees. Administration fees amounting to EUR28,827 (31 March 2023: EUR14,636) were due to the Administrator at 30 September 2023.

(c) Investment Account fee

During the period under review, HSBC Bank Malta p.l.c. received an aggregate investment account fee of EUR194,717 (30 September 2022: EUR217,227). Investment account fees amounting to EUR39,150 (31 March 2023: EUR35,249) were due to the HSBC Bank Malta p.l.c. at 30 September 2023.

As a service provider to the Funds, HSBC Bank Malta p.l.c. also received an aggregate dividend administration fee for the period amounting to EUR8,477 (30 September 2022: EUR10,023).

HSBC Malta Funds SICAV p.l.c.

Notes to the financial statements

For the period ended 30 September 2023

11 Related party transactions (continued)

(d) Director's fees

No transactions were entered into with key management personnel other than the payment of the Directors emoluments of EUR13,678 (30 September 2022: EUR 15,539). These amounts represent short-term employee benefits.

(e) Other related party fees

HSBC Bank p.l.c., as the sub-custodian of the Company, received an aggregate sub-custody fee for the period amounting to EUR40,708 (30 September 2022: EUR 43,354)

(f) Unitholding of related parties

As at reporting date, parties related to the Manager held 44,717 units (30 September 2022: 46,542 units) in the Malta Bond Fund – Accumulator Shares, 61,574 units (30 September 2022: 59,484 units) in the International Bond Fund – Accumulator Shares, 54,147 units (30 September 2022: 46,225 units) in the Equity Growth Fund Class B, and 20,920 units (30 September 2022: 19,575 units) in the Maltese Assets Fund – Accumulator Shares.

As at 30 September 2023 and 31 March 2023, the Directors held no accumulator units in the Fund.

As at 30 September 2023, all units in the Malta Bond Fund, International Bond Fund, Equity Growth Fund, Malta Government Bond Fund and Maltese Assets Fund were held under nominee by HSBC Bank Malta p.l.c.

HSBC Global Asset Management (Malta) Limited holds founder shares as disclosed in Note 5 to these financial statements.

(g) Investments in HSBC securities

Investments held by the Funds in securities, bonds, collective investment schemes and equities issued by HSBC group as at the reporting date amounted to EUR10,873,279 (31 March 2023: EUR9,865,220).

(h) Share subscriptions and redemptions

During the period ended, parties related to the Manager subscribed EUR221,000 (30 September 2022: EUR109,000) in the Malta Bond Fund, EUR417,000 (30 September 2022: EUR332,000) in the International Bond Fund, EUR1,577,000 (30 September 2022: EUR1,010,000) in the Equity Growth Fund and EUR436,000 (30 September 2022: EUR435,000) in the Maltese Assets Fund.

During the period ended, parties related to the Manager redeemed a portion of holding/shares in the Malta Bond Fund amounting to EUR718,000 (30 September 2022: EUR917,000), EUR Nil (30 September 2022: EUR Nil) in the International Bond Fund and EUR Nil (2023: EUR Nil) in the Maltese Assets Fund.

HSBC Malta Funds SICAV p.l.c.

Notes to the financial statements

For the period ended 30 September 2023

12 Fair value of financial assets and financial liabilities

At 30 September 2023 and 31 March 2023, the carrying amount of financial assets and financial liabilities carried at amortised cost approximated their fair value due to the short-term maturities of these assets and liabilities.

The fair value of listed investments is based on quoted prices in an active market at the reporting date. Assumptions used in determining the fair value of unlisted investments categorised as Level 3 are disclosed in Note 13.10.

13 Financial instruments and associated risks

13.1 Overview

The Funds are exposed to the following risks from financial instruments:

- market risk
- credit risk
- liquidity risk

The Fund is also exposed to operational risks such as custody risk. Custody risk is the risk of loss of securities held in custody occasioned by the insolvency or negligence of the custodian. Although an appropriate legal framework is in place that eliminates the risk of loss of value of the securities held by the custodian, in the event of its failure, the ability of the Fund to transfer securities might be temporarily impaired.

This note presents information about the Funds' exposure to each of the above risks, the Funds' objectives, policies and processes for measuring and managing risk, and the Funds' management of capital.

13.2 Risk management framework

The Funds' underlying investment portfolios comprise quoted and unquoted equity investments, quoted and unquoted debt investments, derivatives, and investments in other quoted funds that are intended to be held for an indefinite period of time.

Asset allocation is determined by the Funds' Investment Manager who manages the distribution of the assets in line with the investment strategy of the relative Funds at the prevailing market circumstances. The indirect worldwide economic risks arising from the Russian and Ukraine conflict have triggered large price fluctuations across all financial and commodity markets, hence all investments held by the Funds required close monitoring.

The nature and extent of the financial instruments outstanding at the financial reporting date and the risk management policies employed by the Funds are discussed below.

13.3 Market Risk

Market risk embodies the potential for both losses and gains, and includes currency risk, interest rate risk and other price risk.

HSBC Malta Funds SICAV p.l.c.

Notes to the financial statements

For the period ended 30 September 2023

13 Financial instruments and associated risks (continued)

13.3 Market Risk (continued)

Each Fund's relative strategy on the management of investment risk is driven by the Fund's investment objective, each of which is clearly outlined in the SICAV's prospectus. The Funds' market exposures within their relative Investment Restrictions is monitored on a daily basis by the Investment Manager. The Funds' overall market exposures are also monitored on a quarterly basis by the Board of Directors.

Details of the nature of the Funds' investment portfolio as at the financial reporting date are disclosed in Note 9 on pages 61 to 77.

13.4 Currency Risk

The Funds may invest in financial instruments and enter into transactions denominated in currencies other than the respective functional currency. Consequently, the Funds are exposed to risks that the exchange rate of the functional currencies relative to other foreign currencies may change in a manner that has an adverse effect on the value of that portion of the Funds' assets denominated in currencies other than the functional currency.

The Funds' currency risk is managed on a daily basis by the Investment Manager in accordance with policies and procedures in place.

As at the reporting date, the Funds had the following open currency exposures:

	30 September 2023	31 March 2023
Currency	% of Net Assets	% of Net Assets
<i>Malta Bond Fund</i>		
US Dollars	1.9%	1.8%
<i>International Bond Fund</i>		
US Dollars	18.4%	17.9%
Pounds Sterling	0.2%	0.03%
<i>Equity Growth Fund</i>		
US Dollars	49.6%	53.1%
Pounds Sterling	2.7%	3.0%
<i>Malta Government Bond Fund</i>		
US Dollars	0.00%	0.1%
Pounds Sterling	0.00%	0.04%
<i>Maltese Assets Fund</i>		
US Dollar	8.6%	8.3%

HSBC Malta Funds SICAV p.l.c.

Notes to the financial statements

For the period ended 30 September 2023

13 Financial instruments and associated risks (continued)

13.4 Currency Risk (continued)

Sensitivity Analysis

As at 30 September 2023, had the functional currency of each Fund strengthened by 10% in relation to the other currencies with all other variables held constant, net assets attributable to holders of redeemable units would have decreased by the amounts shown below:

	30 September 2023	31 March 2023
	Euro	Euro
<i>Malta Bond Fund</i>		
US Dollar	224,000	219,000
<i>International Bond Fund</i>		
US Dollar	920,000	892,000
Pounds Sterling	11,000	(1,000)
<i>Equity Growth Fund</i>		
US Dollar	1,849,000	1,735,000
Pounds Sterling	100,000	98,000
<i>Malta Government Bond Fund</i>		
US Dollar	-	4,000
Pounds Sterling	-	2,000
<i>Maltese Assets Fund</i>		
US Dollar	447,000	411,000

A 10% weakening of the functional currency against these currencies with all other variables held constant would have resulted in an equal but opposite effect.

HSBC Malta Funds SICAV p.l.c.

Notes to the financial statements

For the period ended 30 September 2023

13 Financial instruments and associated risks (continued)

13.5 Interest Rate Risk (continued)

Interest rate risk arises from the effects of fluctuations in the prevailing levels of markets interest rates on the fair value of financial assets and liabilities and future cash flow. The Funds hold fixed interest securities that expose the Funds to fair value interest rate risk. The Funds also hold a limited amount of euro-denominated floating rate debt and cash and cash equivalents that expose the Fund to cash flow interest rate risk.

Malta Bond Fund, International Bond Fund and Malta Government Bond Fund

The majority of the Funds' financial assets are interest-bearing and as a result, the respective Funds are subject to a reasonable exposure to fair value interest rate risk arising from fluctuations in the prevailing levels of market interest rates.

Maltese Assets Fund and Equity Growth Fund

Although the majority of the Funds' portfolios are invested in equities, the Funds hold a reasonable exposure in interest-bearing assets, and as a result, the Funds are also subject to a fair value interest rate risk arising from fluctuations in the prevailing levels of market interest rates.

Exposure to interest rate risk

The carrying amount of interest bearing financial assets represents the maximum interest rate exposure. The maximum exposure to interest rate risk at the reporting date was as follows:

Malta Bond Fund

	30 September 2023		31 March 2023	
	% of net assets	Euro	% of net assets	Euro
Debt securities	97.73	113,243,730	94.82	113,249,961
Non-interest bearing assets	2.78	3,220,661	5.48	6,545,958
	-----	-----	-----	-----
	100.51	116,464,391	100.30	119,795,919
	=====	=====	=====	=====

HSBC Malta Funds SICAV p.l.c.

Notes to the financial statements

For the period ended 30 September 2023

13 Financial instruments and associated risks (continued)

13.5 Interest Rate Risk (continued)

Exposure to interest rate risk (continued)

International Bond Fund

	30 September 2023		31 March 2023	
	% of net assets	Euro	% of net assets	Euro
Debt securities	96.05	48,080,374	80.40	40,100,070
Non-interest bearing assets	5.12	2,562,943	19.89	9,920,790
	-----	-----	-----	-----
	101.17	50,643,317	100.29	50,020,860
	=====	=====	=====	=====

Equity Growth Fund

	30 September 2023		31 March 2023	
	% of net assets	Euro	% of net assets	Euro
Debt securities	9.39	3,500,889	3.18	1,039,822
Non-interest bearing assets	90.74	33,835,260	96.94	31,698,832
	-----	-----	-----	-----
	100.13	37,336,149	100.12	32,738,654
	=====	=====	=====	=====

Malta Government Bond Fund

	30 September 2023		31 March 2023	
	% of net assets	Euro	% of net assets	Euro
Debt securities	98.74	55,725,457	97.02	59,540,396
Non-interest bearing assets	1.94	1,095,064	3.25	1,992,563
	-----	-----	-----	-----
	100.68	56,820,521	100.27	61,532,959
	=====	=====	=====	=====

HSBC Malta Funds SICAV p.l.c.

Notes to the financial statements

For the period ended 30 September 2023

13 Financial instruments and associated risks (continued)

13.5 Interest Rate Risk (continued)

Exposure to interest rate risk (continued)

Maltese Assets Fund

	30 September 2023		31 March 2023	
	% of net assets	Euro	% of net assets	Euro
Debt securities	25.28	13,101,121	22.94	11,329,232
Non-interest bearing assets	75.17	38,950,652	77.24	38,175,780
	-----	-----	-----	-----
	100.45	52,051,773	100.18	49,505,012
	=====	=====	=====	=====

Sensitivity Analysis

The Funds' interest rate risk is managed on a daily basis by the Investment Manager in accordance with policies and procedures in place. The Funds' overall interest rate risk is monitored on a quarterly basis by the Board of Directors.

The table following sets out the impact on the relative net assets of each Fund as at 30 September 2023 in the event that worldwide yield curves experience a parallel 25 basis points / 50 basis points shift upwards or downwards.

HSBC Malta Funds SICAV p.l.c.

Notes to the financial statements

For the period ended 30 September 2023

13 Financial instruments and associated risks (continued)

13.5 Interest Rate Risk (continued)

Sensitivity Analysis (continued)

Yield Curve Shift

	30 September 2023	31 March 2023
	Euro	Euro
<i>Malta Bond Fund</i>		
+25bps	(1,043,000)	(1,185,000)
-25bps	1,043,000	1,185,000
+50bps	(2,087,000)	(2,370,000)
-50bps	2,087,000	2,370,000
<i>International Bond Fund</i>		
+25bps	(539,000)	(392,000)
-25bps	539,000	392,000
+50bps	(1,077,000)	(783,000)
-50bps	1,077,000	783,000
<i>Equity Growth Fund</i>		
+25bps	(27,000)	(10,000)
-25bps	27,000	10,000
+50bps	(54,000)	(20,000)
-50bps	54,000	20,000
<i>Malta Government Bond Fund</i>		
+25bps	(825,000)	(603,000)
-25bps	825,000	603,000
+50bps	(1,650,000)	(1,206,000)
-50bps	1,650,000	1,206,000
<i>Maltese Assets Fund</i>		
+25bps	(192,000)	(122,000)
-25bps	192,000	122,000
+50bps	(384,000)	(243,000)
-50bps	384,000	243,000

HSBC Malta Funds SICAV p.l.c.

Notes to the financial statements

For the period ended 30 September 2023

13 Financial instruments and associated risks (continued)

13.6 Other Price Risk

Other price risk is the risk that the value of the underlying assets will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk). These can arise from factors specific to an individual investment or its issuer (idiosyncratic risk), or from factors affecting total market sentiment (systemic risk).

Idiosyncratic price risk is managed through the construction of a diversified portfolio of instruments traded on various markets. Systemic risk cannot be eliminated by diversification and investors in the respective Funds are subject to the Funds' relative systemic market risk.

As the majority of the Funds' financial instruments are carried at fair value with fair value changes recognised in the Statement of comprehensive income, all changes in market conditions will directly affect the Funds' financial statements.

Exposure to other price risk

The carrying amount of the following financial assets and liabilities represents the maximum other price exposure. The maximum exposure to other price risk at the reporting date was as follows:

Equity Growth Fund

	30 September 2023		31 March 2023	
	% of net assets	Euro	% of net assets	Euro
Equity	26.15	9,751,375	23.63	7,726,405
Exchange Traded Funds	56.67	21,132,825	55.07	18,008,964
Collective Investment Schemes	1.43	534,077	1.55	507,607
Rights	0.03	10,062	-	-
	-----	-----	-----	-----
	84.28	31,428,339	80.25	26,242,976
	=====	=====	=====	=====

HSBC Malta Funds SICAV p.l.c.

Notes to the financial statements

For the period ended 30 September 2023

13 Financial instruments and associated risks (continued)

13.6 Other Price Risk (continued)

Exposure to other price risk (continued)

Maltese Assets Fund

	30 September 2023		31 March 2023	
	% of net assets	Euro	% of net assets	Euro
Equity	66.17	34,290,737	63.24	31,254,359
Exchange Traded Funds	6.41	3,319,953	6.52	3,223,301
Rights	0.06	30,144		
	-----	-----	-----	-----
	72.64	37,640,834	69.76	34,477,660
	=====	=====	=====	=====

Sensitivity to other price risk

The sensitivity for equity, exchange traded funds, collective investment schemes and rights price risk illustrates how changes in the fair value of such investments will fluctuate because of changes in market prices, whether those changes are caused by factors specific to the investments' strategy, or factors affecting all similar underlying investments traded in the market.

A general increase in the prices of equities and exchange traded funds and rights of 10%, with all other variables held constant, would have increased the net assets attributable to the holders of redeemable units of the Equity Growth Fund by approximately EUR3,089,000 (31 March 2023: EUR2,574,000), and of the Maltese Assets Fund by approximately EUR3,764,000 (31 March 2023: EUR3,448,000). A 10% general decrease on prices of equities and exchange traded funds and rights, with all other variables held constant will result in an equal but opposite effect.

The Equity Growth Fund is also indirectly exposed to other price risk through the securities held by the respective underlying collective investment schemes which as at period end amounted to EUR534,077 (31 March 2023: EUR507,607).

HSBC Malta Funds SICAV p.l.c.

Notes to the unaudited financial statements

For the period ended 30 September 2023

13 Financial instruments and associated risks (continued)

13.7 Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the respective Fund.

Exposure to credit risk

The carrying amount of the following financial assets represents the maximum credit exposure at the reporting date:

30 September 2023

	Notes	Combined Euro	Malta Bond Fund Euro	International Bond Fund Euro	Equity Growth Fund Euro	Malta Government Bond Fund Euro	Maltese Assets Fund Euro
Debt securities	13.5	233,651,571	113,243,730	48,080,374	3,500,889	55,725,457	13,101,121
Accrued interest		3,550,660	2,014,278	724,501	149,775	497,569	164,537
Dividends receivable		203,768	-	-	83,258	-	120,510
Settlement receivable		701,574	-	453,274	-	-	248,300
Bank balances	6	6,139,405	1,206,383	1,385,168	2,173,888	597,495	776,471
		-----	-----	-----	-----	-----	-----
		244,246,978	116,464,391	50,643,317	5,907,810	56,820,521	14,410,939
		=====	=====	=====	=====	=====	=====

HSBC Malta Funds SICAV p.l.c.

Notes to the unaudited financial statements

For the period ended 30 September 2023

13 Financial instruments and associated risks (continued)

13.7 Credit Risk (continued)

Exposure to credit risk (continued)

The carrying amount of the following financial assets represents the maximum credit exposure at the reporting date:

31 March 2023

	Notes	Combined Euro	Malta Bond Fund Euro	International Bond Fund Euro	Equity Growth Fund Euro	Malta Government Bond Fund Euro	Maltese Assets Fund Euro
Debt securities	13.5	225,259,481	113,249,961	40,100,070	1,039,822	59,540,396	11,329,232
Accrued interest		3,154,232	2,034,568	411,871	31,507	481,811	194,475
Dividends receivable		176,533	-	-	27,080	-	149,453
Settlement receivable		94,686	9,331	85,355	-	-	-
Bank balances	6	24,187,836	4,502,059	9,423,564	5,397,269	1,510,752	3,354,192
		-----	-----	-----	-----	-----	-----
		252,872,768	119,795,919	50,020,860	6,495,678	61,532,959	15,027,352
		=====	=====	=====	=====	=====	=====

HSBC Malta Funds SICAV p.l.c.

Notes to the unaudited financial statements

For the period ended 30 September 2023

13 Financial instruments and associated risks (continued)

13.7 Credit Risk (continued)

Malta Bond Fund

The investment objective of the Fund is to achieve long term capital growth, primarily through investment in predominantly Maltese debt securities.

Local Malta Government Stocks as at 30 September 2023 constituted 32.91% (including accrued interest) (31 March 2023: 35.92%) of the fund's total net assets. No Malta Government Stock is rated by either S&P, Moody's or Fitch. However, the Government of Malta carries an A- rating by S&P and an A2 rating by Moody's.

As at 30 September 2023, 60.33% (including accrued interest) (31 March 2023: 56.35%) of the net assets was invested in the local corporate bond market. None of the local corporate bonds are rated by any of the major credit rating companies. However, the Investment Manager undertakes a rigorous risk assessment on each issuer to internally establish the risk reward profile of all major local corporate bonds.

Only up to 15% of the total assets of the fund may be invested in non-Maltese issuers. As at 30 September 2023, investment in these assets amounted to 5.50% (including accrued interest) (31 March 2023: 4.20%) of the total assets.

The credit quality of the non-Maltese issuers' portfolio as a % of net assets as at 30 September 2023 is summarised below:

Credit Rating	30 September 2023	31 March 2023
	% Exposure	% Exposure
A (credit rating of A ranges from A- to A+)	2.1	1.6
BBB (credit rating of BBB ranges from BBB- to BBB+)	3.3	2.6
BB (credit rating of BB ranges from BB- to BB+)	0.1	-

International Bond Fund

The investment objective of the Fund is to achieve long term capital growth, primarily through investment in international debt securities. Up to 30% of the Fund's total assets may consist of non-investment grade debt securities, rated between B and BB as determined by S&P or an equivalent rating as determined by an equivalent rating agency.

HSBC Malta Funds SICAV p.l.c.

Notes to the unaudited financial statements

For the period ended 30 September 2023

13 Financial instruments and associated risks (continued)

13.7 Credit Risk (continued)

International Bond Fund (continued)

The credit quality of the non-Maltese issuers' portfolio as a % of net assets as at 30 September 2023 is summarised below:

Credit Rating	30 September 2023	31 March 2023
	% Exposure	% Exposure
AAA (credit rating of AAA ranges from AAA- to AAA+)	-	0.9
AA (credit rating of AAA ranges from AA- to AA+)	4.5	8.3
A (credit rating of A ranges from A- to A+)	34.7	21.0
BBB (credit rating of BBB ranges from BBB- to BBB+)	36.8	38.4
BB (credit rating of BB ranges from BB- to BB+)	1.4	2.9
B (credit rating of B ranges from B- to B+)	1.5	1.5

The Fund's credit risk exposure is managed on a daily basis by the Investment Manager in accordance with policies and procedures in place.

Equity Growth Fund

The investment objective of this Fund is to invest at least 70% of its assets in long-term investments consisting of international equities, local equities and collective investment schemes. The Fund may also invest in debt securities, money market instruments and deposits with credit institutions.

As at 30 September 2023, 4.9% (including accrued interest) (31 March 2023: 3.28%) of the portfolio was invested in the local corporate bond market. Here again none of the local corporate bonds is actually rated by any of the major credit rating companies. However, the Investment Manager undertakes a rigorous risk assessment on each issuer to internally establish the risk reward profile of all major local corporate bonds.

The credit quality of the non-Maltese issuers' portfolio as a % of net assets as at 30 September 2023 is summarised below:

Credit Rating	30 September 2023	31 March 2023
	% Exposure	% Exposure
A (credit rating of A ranges from A- to A+)	1.0	-
BBB (credit rating of BBB ranges from BBB- to BBB+)	2.5	-

HSBC Malta Funds SICAV p.l.c.

Notes to the unaudited financial statements

For the period ended 30 September 2023

13 Financial instruments and associated risks (continued)

13.7 Credit Risk (continued)

Malta Government Bond Fund

The investment objective of the Fund is to achieve long term capital growth, primarily through investment in diversified portfolio of interest earning securities.

Local Malta Government Stocks as at 30 September 2023 constituted 85.34% (including accrued interest) (31 March 2023: 85.86%) of the fund's total net assets. No Malta Government Stock is rated by either S&P, Moody's or Fitch. However, the Government of Malta carries an A- rating by S&P and an A2 rating by Moody's.

Only up to 15% of the total assets of the fund may be invested in non-Maltese issuers. As at 30 September 2023, investment in these assets amounted to 14.15% (including accrued interest) (31 March 2023: 11.90%) of the total assets.

The credit quality of the non-Maltese issuers' portfolio as a % of net assets as at 30 September 2023 is summarised below:

Credit Rating	30 September 2023	31 March 2023
	% Exposure	% Exposure
AA (Credit rating of AA ranges from AA- to AA+)	3.1	4.2
A (credit rating of A ranges from A- to A+)	3.5	1.0
BBB (credit rating of BBB ranges from BBB- to BBB+)	7.4	6.7

Maltese Assets Fund

The investment objective of the Fund is to achieve long-term capital growth, through the investment in a diversified portfolio of equity holdings and of interest-earning holdings.

Local Malta Government Stocks as at 30 September 2023 constituted 5.70% (including accrued interest) (31 March 2023: 4.29%) of the Fund's net assets. No Malta Government Stock is rated by either S&P, Moody's or Fitch. However, the Government of Malta carries an A- rating by S&P and an A2 rating by Moody's.

As at 30 September 2023, 13.48% (including accrued interest) (31 March 2023: 14.70%) of the portfolio was invested in the local corporate bond market. Here again none of the local corporate bonds is actually rated by any of the major credit rating companies. However, the Investment Manager undertakes a rigorous risk assessment on each issuer to internally establish the risk reward profile of all major local corporate bonds.

Only up to 15% of the total assets of the fund may be invested in non-Maltese issuers. As at 30 September 2023, 6.38% (including accrued interest) (31 March 2023: 10.83%) of total assets were invested in non-Maltese issuers.

HSBC Malta Funds SICAV p.l.c.

Notes to the unaudited financial statements

For the period ended 30 September 2023

13 Financial instruments and associated risks (continued)

13.7 Credit Risk (continued)

Maltese Assets Fund (continued)

The credit quality of the non-Maltese issuers' portfolio as a % of net assets as at 30 September 2023 is summarised below:

Credit Rating	30 September 2023	31 March 2023
	% Exposure	% Exposure
AAA (credit rating of AAA ranges from AAA- to AAA+)	-	0.7
AA (credit rating of AAA ranges from AA- to AA+)	0.2	-
A (credit rating of A ranges from A- to A+)	2.0	2.1
BBB (credit rating of BBB ranges from BBB- to BBB+)	2.9	1.5
BB (credit rating of BB ranges from BB- to BB+)	0.2	-

13.7.1 Amounts arising from Expected Credit Loss

Bank balances are held with unrated banks and are subject to impairment calculations measured on a 12-month expected loss basis, which reflects the short maturities of the exposures. The Company considers that these exposures have low credit risk based on the external credit ratings of, and trading history with the counterparties. As a result, no loss allowance has been recognized based on 12-month expected credit losses as any such impairment would be wholly insignificant to the respective sub-fund.

13.8 Settlement Risk

Settlement risk is the risk of loss due to failure of a counterparty to honour its obligations to deliver cash, securities or other assets as contractually agreed. Risk relating to unsettled transactions is considered small due to the short settlement period involved and the high credit quality of the brokers used. The Investment Manager monitors the financial positions of the brokers used to further mitigate this risk.

Substantially all of the assets of the Funds are held by Sparkasse Bank Malta p.l.c., as Depositary. Bankruptcy or insolvency of the Depositary may cause the Funds' rights with respect to securities held by the Depositary to be delayed or limited.

13.9 Liquidity Risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

HSBC Malta Funds SICAV p.l.c.

Notes to the unaudited financial statements

For the period ended 30 September 2023

13 Financial instruments and associated risks (continued)

13.9 Liquidity Risk (continued)

Malta Bond Fund

The Fund's constitution provides for the daily creation and cancellation of units and these are therefore exposed to the liquidity risk of meeting unitholders' redemptions at any time.

The major part of this Fund's underlying securities mainly comprises securities that are listed on the Malta Stock Exchange, making 93.24% (including accrued interest) (31 March 2023: 92.31%) of net assets, which may not be readily realisable due to the limitations arising from the size and illiquidity of the Maltese capital market.

1.04% (31 March 2023: 3.77%) of net assets are held in bank deposits.

International Bond Fund

The Fund's constitution provides for the daily creation and cancellation of units and these are therefore exposed to the liquidity risk of meeting unitholders' redemptions at any time.

The major part of this Fund's underlying securities, making 54.82% (including accrued interest) (31 March 2023: 53.30%) of net assets, are considered to be readily realisable since they are listed on European Stock Exchanges.

2.77% (31 March 2023: 18.89%) of net assets are held in bank deposits.

Equity Growth Fund

The Fund's constitution provides for the daily creation and cancellation of units and these are therefore exposed to the liquidity risk of meeting unitholders' redemptions at any time.

The major part of this Fund's underlying securities are considered to be readily realisable since they are listed on major European and US Stock Exchanges.

The fund has an investment comprising of an unlisted security, making 0.15% (31 March 2023: 0.18%) of net assets which is not considered to be readily realisable. The Fund's portfolio of underlying securities also comprises securities that are listed on the Malta Stock Exchange, making 28.85% (31 March 2023: 23.84%) of net assets which may not be readily realisable due to the limitations arising from the size and illiquidity of the Maltese capital market.

5.83% (31 March 2023: 16.51%) of net assets are held in bank deposits.

Malta Government Bond Fund

The Fund's constitution provides for the daily creation and cancellation of units and these are therefore exposed to the liquidity risk of meeting unitholders' redemptions at any time.

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Notes to the unaudited financial statements

For the period ended 30 September 2023

13 Financial instruments and associated risks (continued)

13.9 Liquidity Risk (continued)

Malta Government Bond Fund (continued)

The major part of this Fund's underlying securities mainly comprises securities that are listed on the Malta Stock Exchange, making 85.34% (including accrued interest) (31 March 2023: 85.86%) of net assets, which may not be readily realisable due to the limitations arising from the size and illiquidity of the Maltese capital market.

1.06% (31 March 2023: 2.46%) of net assets are held in bank deposits.

Maltese Asset Fund

The Fund's constitution provides for the daily creation and cancellation of units and these are therefore exposed to the liquidity risk of meeting unitholders' redemptions at any time.

The fund has an investment comprising of an unlisted security, making 0.95% (31 March 2023: 1.07%) of net assets which is not considered to be readily realisable. The Fund's portfolio of underlying securities also comprises securities that are listed on the Malta Stock Exchange, making 84.25% (31 March 2023: 80.80%) of net assets which may not be readily realisable due to the limitations arising from the size and illiquidity of the Maltese capital market.

1.50% (31 March 2023: 6.79%) of net assets are held in bank deposits.

All funds

The Funds' liquidity risk is managed on a regular basis by the Investment Manager in accordance with policies and procedures in place. The Funds' overall liquidity risks are monitored on a quarterly basis by the Board of Directors.

All Funds are allowed to borrow up to 10% of their respective Net Asset Value which may be used to finance settlement mismatches. Such borrowing would require the relevant Fund to enter into a credit facility agreement whereby the Fund would pledge its assets by way of financial collateral in favour of the creditor Bank providing such facility. As disclosed in Note 4, the Funds have stand by overdraft facilities and settlement lines with the Depositary.

The Maltese market typically has lower trading activity, compared to more developed capital markets. Funds mandated to invest in the Maltese market are thus exposed to greater levels of inherent market illiquidity. In order to mitigate liquidity risk stemming from redemptions, the Manager aims to maintain a minimum level of cash and/or cash equivalents. In regard to the funds that are mandated to invest in Malta, the allowance up to 15% of NAV to hold international securities may present an additional source of liquidity, as international securities are frequently more liquid than those on the local market.

HSBC Malta Funds SICAV p.l.c.

Notes to the unaudited financial statements

For the period ended 30 September 2023

13 Financial instruments and associated risks (continued)

13.9 Liquidity Risk (continued)

All funds (continued)

The Prospectus and Articles of Association contain special provisions which provide the Company the power to suspend repurchase of shares and to repurchase only part of the shares for which repurchase requests have been received if the Company determines that the calculation of Net Asset Value is not practicable or reasonable, or that the repurchase of shares would involve the realisation of assets of the Fund which in the opinion of the Company could, if realised at that particular moment in time, adversely affect and prejudice the interest of the Investors. The Manager may limit the total number of units which may be repurchased on any Dealing Day to 5% of the outstanding units in any Fund. In this event, the Manager will reduce all valid repurchase requests pro rata to the said 5% of the units and shall repurchase the excess of the units on the next Dealing Day, subject to the Manager's same power of deferral until the original repurchase requests have been fully satisfied.

On 23 March 2022, the Authority was informed that HSBC Global Asset Management (Malta) ('Manager') Ltd was unable to proceed with the execution of the required trade as the Scheme's custodian, Sparkasse Bank Malta plc, informed it that the clearing house has suspended any kind of settlement in the Russian Bonds. The SICAV Board of Directors sought the guidance of the Scheme's Auditors to determine whether both securities should be written off or totally impaired in line with IFRS 13 requirements (Fair Value Measurement). Hence the Board resolved to write down the valuation of the Russian Bonds to zero with effect from 28 February 2023. From a liquidity perspective, the situation is being closely monitored by the Manager so that once the securities are no longer suspended from settlement, the Manager will endeavour to seek potential buyers and proceed with disposing the securities.

13.10 Fair values of financial instruments

The Fund measures its financial assets and financial liabilities at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability, or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

The fair value of an asset is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

IFRS 13 establishes a single source of guidance under IFRS for all fair value measurements. It allows an entity to use mid-market pricing or other pricing conventions that are used by market participants as a practical expedient for fair value measurements within a bid-ask spread.

HSBC Malta Funds SICAV p.l.c.

Notes to the unaudited financial statements

For the period ended 30 September 2023

13 Financial instruments and associated risks (continued)

13.10 Fair values of financial instruments (continued)

The Fund measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

- Level 1 - Quoted market prices (unadjusted) in an active market for an identical instrument.
- Level 2 - Valuation techniques based on observable inputs, other than quoted prices included within Level 1, that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.
- Level 3 - Valuation techniques using significant unobservable inputs. This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

The following table analyses financial instruments measured at fair value at the reporting date by the level in the fair value hierarchy into which the fair value measurement is categorised. The amounts are based on the values recognised in the statement of financial position. All fair value measurements below are recurring.

Malta Bond Fund

	Level 1 EUR	Level 2 EUR	Level 3 EUR	Total EUR
30 September 2023				
Sovereign/Supranational Bonds	40,954,354	-	-	40,954,354
Corporate Bonds	72,289,376	-	-	72,289,376
	113,243,730	-	-	113,243,730
31 March 2023				
Sovereign/Supranational Bonds	44,570,525	-	-	44,570,525
Corporate Bonds	68,679,436	-	-	68,679,436
	113,249,961	-	-	113,249,961

HSBC Malta Funds SICAV p.l.c.

Notes to the unaudited financial statements

For the period ended 30 September 2023

13 Financial instruments and associated risks (continued)

13.10 Fair values of financial instruments (continued)

International Bond Fund

	Level 1 EUR	Level 2 EUR	Level 3 EUR	Total EUR
30 September 2023				
Sovereign/Supranational Bonds	13,543,678	-	-	13,543,678
Corporate Bonds	34,536,696	-	-	34,536,696
	48,080,374	-	-	48,080,374
31 March 2023				
Sovereign/Supranational Bonds	13,484,964	-	-	13,484,964
Corporate Bonds	26,615,106	-	-	26,615,106
	40,100,070	-	-	40,100,070

Equity Growth Fund

	Level 1 EUR	Level 2 EUR	Level 3 EUR	Total EUR
30 September 2023				
Corporate Bonds	3,500,889	-	-	3,500,889
Equity Investments	9,697,037	-	54,338	9,751,375
Exchange Traded Funds	21,132,825	-	-	21,132,825
Collective Investment Schemes	534,077	-	-	534,077
Rights	10,062	-	-	10,062
	34,874,890	-	54,338	34,929,228
31 March 2023				
Corporate Bonds	1,039,822	-	-	1,039,822
Equity Investments	7,667,539	-	58,866	7,726,405
Exchange Traded Funds	18,008,964	-	-	18,008,964
Collective Investment Schemes	507,607	-	-	507,607
	27,223,932	-	58,866	27,282,798

Malta Government Bond Fund

	Level 1 EUR	Level 2 EUR	Level 3 EUR	Total EUR
30 September 2023				
Sovereign/Supranational Bonds	55,725,457	-	-	55,725,457
	55,725,457	-	-	55,725,457
31 March 2023				
Sovereign/Supranational Bonds	59,540,396	-	-	59,540,396
	59,540,396	-	-	59,540,396

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Notes to the unaudited financial statements

For the period ended 30 September 2023

13 Financial instruments and associated risks (continued)

13.10 Fair values of financial instruments (continued)

Maltese Assets Fund

	Level 1 EUR	Level 2 EUR	Level 3 EUR	Total EUR
30 September 2023				
Sovereign/Supranational Bonds	3,798,233	-	-	3,798,233
Corporate Bonds	9,302,888	-	-	9,302,888
Equity Investments	33,800,755	-	489,982	34,290,737
Exchange Traded Funds	3,319,953	-	-	3,319,953
Rights	30,144	-	-	30,144
	50,251,973	-	489,982	50,741,955
31 March 2023				
Sovereign/Supranational Bonds	2,371,186	-	-	2,371,186
Corporate Bonds	8,958,046	-	-	8,958,046
Equity Investments	30,723,545	-	530,814	31,254,359
Exchange Traded Funds	3,223,301	-	-	3,223,301
	45,276,078	-	530,814	45,806,892

Financial assets classified at Level 3

During the period, financial assets at fair value through profit or loss in the Equity Growth Fund and the Maltese Assets Fund Portfolio, with a carrying amount of EUR54,338 (31 March 2023: EUR58,866) and EUR489,982 (31 March 2023: EUR530,814) respectively, were classified as having Level 3 inputs. Due to lack of observable market inputs, the fair value of the assets was determined by using a high level desktop analysis and is thus subject to the inherent limitations therein. The analysis is based on publicly available information, which in the main relates to the latest audited financial statements and the application of liquidity discount. The high-level, desktop based pricing analysis is based on the concept of fair market value, that is on the basis of what a hypothetical prudent purchaser, who is a willing but not anxious buyer, would be prepared to pay to a seller, who is willing but not anxious to sell, in circumstances where both the buyer and seller have reasonable knowledge of the relevant facts.

The unrealised (losses)/gains on fair value movements of financial assets classified as level 3 during the period are as follows:

	30 September 2023 EUR	31 March 2023 EUR
Equity Growth Fund	(4,528)	8,553
Malta Asset Fund	(40,832)	77,127

HSBC Malta Funds SICAV p.l.c.

Notes to the unaudited financial statements

For the period ended 30 September 2023

13 Financial instruments and associated risks (continued)

13.10 Fair values of financial instruments (continued)

Financial assets classified at Level 3 (continued)

Of the total gains or losses for the period included in profit or loss, EUR45,360 loss (31 March 2023: EUR85,680 gain) are attributable to level 3 securities held at the end of the reporting period. Fair value gains or losses on asset-backed securities are included in Statement of Comprehensive Income.

13.11 Capital Risk Management

The capital of the Sub-Funds is represented by the net assets attributable to shareholders as disclosed in the Statement of Financial Position. The amount of net assets attributable to shareholders can change significantly on a daily basis as the Sub-Funds are subject to subscriptions and redemptions at the discretion of the shareholders. The Sub-Funds' objective when managing capital is to safeguard the Sub-Funds' ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain a strong capital base to support the development of the investment activities of the Sub-Funds.

14 Events subsequent to the reporting date

There were no material significant events affecting the Company subsequent to the reporting period.

HSBC Malta Funds SICAV p.l.c.

General Information

1 Authorisation

HSBC Malta Funds SICAV p.l.c. is an open-ended collective investment scheme organised as a multi-fund public limited liability company with variable share capital. The Company was registered on 24 January 1997 under the Companies Act, Chapter 386 of the Laws of Malta and is licensed and regulated by the Malta Financial Services Authority as a collective investment scheme in terms of the Investment Services Act, Chapter 370 of the Laws of Malta. The Company qualifies as a 'Maltese UCITS' in terms of the Investment Services Act (Marketing of UCITS) Regulations.

The class of shares constituting the Malta Bond Fund, the Malta Government Bond Fund and the Maltese Assets Fund are listed on the Malta Stock Exchange.

2 Management fees and other expenses

(a) Management fees

The Manager charged a management fee of 0.785% per annum from the Malta Bond Fund and the Malta Government Bond Fund, 0.570% per annum from the International Bond Fund, 1.000% per annum from the Equity Growth Fund, and 1.060% per annum from the Maltese Assets Fund, based on the Net Asset Value of each respective Fund on each Dealing Day, payable monthly in arrears.

Annual management fees charged for the underlying investment funds

The maximum proportion of management fees charged to the Fund is disclosed in note 8.1.

The requirements of article 55(3) of the UCITS Directive, requires the disclosure of the management fees charged to the other schemes that the Fund invests in. However, the underlying Exchange-Traded Funds ("ETFs") of the Equity Growth Fund, do not disclose the management fee separately, but is instead included as part of their total expense ratio ("TER"). The TER is a measure of the total cost of a fund to the investor, thus it includes other charges in addition to the management fee. It is calculated by dividing the total cost of the fund by the total assets of the fund and is denoted as a percentage.

The Equity Growth Fund did not invest in any fund which had a management fee and also in a number of ETFs with a corresponding TER as per below.

Management fee

Below is the management fee of the underlying collective investment scheme:

Name	Management Fee
HSBC GIF-EUROLAND EQ-ZC	0.00%

HSBC Malta Funds SICAV p.l.c.

General Information

2 Management fees and other expenses (continued)

(a) Management fees (continued)

TER

Below is the TER of the underlying Exchange-Traded Funds:

Name	Total Expense Ratio
HSBC GIF-EUROLAND VAL-ZC	0.11%
HSBC MSCI CANADA UCITS ETF	0.35%
HSBC MSCI CHINA UCITS ETF	0.30%
HSBC MSCI EMERGING MARKETS U	0.15%
HSBC MSCI EUROPE UCITS ETF	0.10%
HSBC S&P 500 UCITS ETF	0.09%
ISHARES CORE FTSE 100	0.07%
ISHARES CORE MSCI JAPAN	0.15%
ISHARES DOW JONES INDUS AVRG	0.33%
ISHARES MSCI AUSTRALIA	0.50%
ISHARES MSCI BRAZIL UCITS DE	0.28%
ISHARES NASDAQ 100 USD ACC	0.33%
ISHARES S&P 500 ENERGY	0.15%
ISHARES S&P 500 FINANCIALS	0.15%
ISHARES S&P 500 IT SECTOR	0.15%
ISHARES S&P CONSUMER DSCRTN	0.15%
ISHARES S&P HEALTH CARE	0.15%
ISHARES S&P500 COMMUNICATION	0.15%
ISHARES STOXXE600 DE EUR DIS	0.20%
ISHARES FTSE MIB	0.35%
LYXOR CAC 40	0.25%
LYXOR DAX DR	0.15%
SPDR EMERGING MARKETS	0.18%
SPDR S&P US CON STAP SELECT	0.15%
SPDR S&P US INDUST SELECT	0.15%

(b) Administration fees

The Administrator Fees (charged by HSBC Securities Services (Ireland) DAC) are as follows:

The fee for providing Administration Services is set at a maximum rate of 0.06% of Net Assets* per annum.

Fees for the provision of Transfer Agency services are charged in accordance with the following schedule:

HSBC Malta Funds SICAV p.l.c.

General Information

2 Management fees and other expenses (continued)

(b) Administration fees (continued)

Measurement	Charge
Per Share Class	€1,200 per annum
Per Account opening	€150 per new investor
Per Investor account maintenance	€100 per annum
Per Investor Transaction (depending on the type of transaction processed by the Registrar and Transfer Agent)	€12 to €20 per transaction

(c) Registrar fees

No charges are levied by the Administrator for acting as Registrar to the Company.

(d) Secretarial fees

Ganado Services Limited charges a fee of EUR2,000 (excluding VAT) per annum for 16 hours of work for acting as Company Secretary to the Company. Additional hours are charged on a time spent basis.

(e) Depositary fees

In terms of the Depositary Agreement between the Company, the Manager and the Depositary, the Depositary receives a depositary services fee. The fee for depositary services is of 0.035% per annum of net assets* depending on the amount of net assets.

The above depositary services fees are subject to a minimum fee of EUR5,000 per month in respect of each Sub-Fund, excluding out-of-pocket expenses;

*Net Assets refer to the aggregate Net Asset Value of all the Company's Sub-Funds managed by HSBC Global Asset Management (Malta) Limited. The aggregate fees shall be allocated pro-rata between all Sub-Funds being the proportion that such Sub-Fund's net asset value bears to the aggregate net asset value of all Sub-Funds for the relevant Dealing Day).

In terms of the Depositary Agreement between the Company, the Manager and the Depositary, the Company has agreed to pay all fees and expenses paid or reimbursed by the Depositary to any Sub-Custodian.

At the request of the Company and the Management Company, the Depositary has appointed HSBC Continental Europe as sub-custodian, pursuant to a custody agreement between HSBC Continental Europe and the Depositary.

(f) Fees charged by the Service Provider

The Service Provider charges the following investment account fees: 0.125% per annum on the value of shares held in the Investment Account of each shareholder, with a minimum of EUR11.65 for Malta Bond Fund and EUR23.29 for Malta Government Bond Fund, Maltese Assets Fund and International Bond Fund and a maximum of EUR116.47 per annum in respect of each Investment Account. For Equity Growth Fund, an investment account fee of 0.125% per annum is charged to the Fund on the Net Asset Value.

HSBC Malta Funds SICAV p.l.c.

General Information

2 Management fees and other expenses (continued)

(g) Dividend Administration fee

The Service Provider charges €4.66 per investor eligible to receive the dividend on every dividend distribution. This fee is directly chargeable to that part of the relevant Fund's income attributable to the class of shares in respect of which the dividend has been paid. The fee is not chargeable if a dividend is not declared.

(h) Transaction fee

In the normal course and in relation to the Malta Government Bond Fund and the Maltese Assets Fund, the Service Provider charges €23.29 on all repurchase transactions (including an exchange of shares from one Fund to another) in excess of 3 per calendar year. The Service Provider reserves the right, at its discretion and on giving notice to a particular Investor, to increase the charge up to no more than €1,164.69 per transaction on any further transaction effected by the Investor in the same calendar year.

(i) Fee for exchange of shares within the same fund

In the case of investors who had opted for a Sterling Currency of Expression, the Service Provider charges a fee of €11.65 or GBP 9 per Investor on any exchange of shares between an accumulating and income distributing class within the same Fund.

(j) Other fees

The Company engaged Deloitte Advisory and Technology Limited to prepare its annual and interim financial statements. The Company pays Deloitte Advisory and Technology Limited the following fees relating to the preparation of financial statements (annual and interim):

- For the interim financial statements for the period ended 30 September 2023: EUR8,300
- For the financial statements for the year ended 31 March 2024: EUR10,200
- For the annual financial return for the year ended 31 March 2024: EUR1,620

The Funds are subject to reasonable expenses incurred by Deloitte Advisory and Technology Limited in the course of their duties.

(k) General

All fees may be increased with the agreement of the Company, and the members shall be notified accordingly. Further details on any aspect of the above or further details on other specific charges applicable to any of the Funds will be made available to you upon request and in accordance with applicable regulations.

(l) Management Agreement

HSBC Global Asset Management (Malta) Limited was originally appointed by the Company to provide investment management services and administrative services to the Company and its Funds by virtue of an agreement dated 31 January 1997. This agreement was amended and restated by an agreement dated 2 May 2002 (the 'Management Agreement').

The agreement between the Company and HSBC Global Asset Management (Malta) Limited dated 2 May 2002 was amended and restated with a new agreement dated 4 January 2021, following the Company's conversion into a UCITS retail collective investment scheme.

HSBC Malta Funds SICAV p.l.c.

General Information

2 Management fees and other expenses (continued)

(l) Management Agreement (continued)

A copy of the Management Agreement is available for inspection at the registered office of the Company and the registered office of the Manager.

(m) Administration Agreement

The Company and the Manager appointed HSBC Securities Services (Ireland) DAC as Administrator from 28 September 2018. The Company and the Manager have agreed to the delegation of certain administration functions of the Company and the Funds including acting as Registrar, to HSBC Securities Services (Ireland) DAC.

The Agreement entered into between the Manager, the Company and HSBC Securities Services (Ireland) DAC, was amended and restated with a new agreement dated 4 January 2021, following the Company's conversion into a UCITS retail collective investment scheme.

A copy of the Administration Agreement is available for inspection at the registered office of the Company and the registered office of the Administrator.

(n) Service Provider Agreement

An agreement dated 31 July 2013 was entered into between the Company, the Manager and HSBC Bank Malta p.l.c. In terms of this agreement HSBC Bank Malta p.l.c. was appointed as a Service Provider in respect of the maintenance of the Investment Account System through which all persons purchase and hold units in the Company. This agreement was terminated on 20 July 2014.

A new agreement dated 21 July 2014 was entered into between the Company and HSBC Bank Malta p.l.c. In terms of this agreement HSBC Bank Malta p.l.c. was appointed as a Service Provider in respect of the maintenance of the Investment Account System through which all persons purchase and hold units in the Company.

A copy of the Service Provider Agreement is available for inspection at the registered office of the Company and that of the Service Provider.

(o) Depositary Agreement

On 2 December 2016, the Company and the Manager entered into an agreement with Sparkasse Bank Malta p.l.c., under the terms of which the latter was, with effect from 5 December 2016, appointed as the depositary of the Company and its Sub-Funds in accordance with the requirements of the AIFMD. This Agreement was amended and restated with a new agreement dated 4 December 2020 in view of the Company's conversion into a UCITS retail collective investment scheme.

A copy of the Depositary Agreement is available for inspection at the registered office of the Company.

3 Risk warning

Past performance is not necessarily a guide to future performance. The value of investments and the currency in which these are denominated may fluctuate over time and investors may not always get back their initial investment. Get back their initial investment in collective investment schemes should be regarded as a medium to long term investment.

HSBC Malta Funds SICAV p.l.c.

General Information

3 Risk warning (continued)

This Annual Report does not constitute an offer of units in the Funds. The opinions expressed are given in good faith and should not be construed as investment and/or tax advice.

4 Prospectus

The Prospectus dated 21 December 2021 reflected the appointment of main distributor and EU criteria for environmentally sustainable economic activities.

This Prospectus was replaced by Prospectus issued on 23, December 2022 with updates relating to 'Consideration of Adverse Impacts' mainly by addressing that the Sub-Funds do not promote environmental or social characteristics and do not have sustainable investment as their objective and are thus classified as Article 6 Funds- and do not have any explicit ESG strategy or objectives.

Furthermore, the latest Prospectus removed references on the initial fees of 2% and 3% on both International Bond Fund and Equity Growth Fund, respectively.

Copies of the latest Prospectus are available free of charge from the Manager and all HSBC Bank Malta p.l.c. branches. Persons wishing to invest in the Funds should do so on the basis of the full information contained in the Prospectus. A copy of the Annual Report and Financial Statements can be obtained by calling 2380 2380 or by logging on <https://www.assetmanagement.hsbc.com.mt/en/individual-investor/funds>.

5 Remuneration Policy Disclosure Requirements

HSBC Global Asset Management (Malta) Limited's remuneration policy on fixed pay (base salary and fixed allowances) is determined by HSBC Bank Malta p.l.c.'s Collective Agreement Salary bank increases (split by rating and grade). The variable pay (discretionary performance bonus) is established via a structured process as part of the performance management system and depends on individual contribution together with Bank/Company performance. The bonus pot and policy is agreed by the Bank's local and Group Remuneration Committee (REMCO) and approved by HSBC Bank Malta p.l.c.'s Board of Directors.

Pay and performance are directly linked to the individual's achievement against set objectives which are both financial and behavioural in nature. Objectives are agreed by the employee and Management beforehand.

During 2022, HSBC Global Asset Management (Malta) Limited had an average staff complement of 11 employees. One of these employees occupies an Executive and Senior Management position as per HSBC Group definition of Senior Management. In 2022, the total fixed remuneration, including wages, salaries, allowances and share based payments, amounted to EUR 80,679 (2021: EUR 76,455). Variable remuneration, based on performance, was paid in cash. The total Directors' emoluments incurred by the Investment Manager during the year were EUR 92,679 (2021: EUR 88,455).

HSBC Malta Funds SICAV p.l.c.

General Information

5 Remuneration Policy Disclosure Requirements (continued)

There are a number of non-cash benefits provided to all HSBC Bank Malta p.l.c. employees which also apply to HSBC Global Asset Management (Malta) Limited employees such as subsidised Bank products, fee free products, nursing services, subsidised medical health insurance, periodical medical check-ups and death in service benefit.

There were no outstanding amounts of deferred remuneration and none was awarded in 2022.

There were no new sign-on and severance payments made in 2022 and none were awarded during the year.

The Investment Manager's income is dependent upon funds under management, and therefore the profit available for distribution under the Policy is dependent upon the performance of the funds.

The remuneration disclosed above relates to the year ended 31 December 2022.

6 Other UCITS Requirements

- i. The underlying exposure obtained through financial derivative instruments:
The Funds did not hold financial derivative instruments as at 30 September 2023.
- ii. The identity of the counterparties to these financial derivative transactions:
The Funds did not hold financial derivative instruments as at 30 September 2023.
- iii. The type and amount of collateral received by the UCITS to reduce counterparty exposure:
No collateral is required, as there are no open derivative positions as at 30 September 2023.
- iv. The exposure obtained through efficient portfolio management techniques:
As at 30 September 2023, there was no exposure, since there were no open positions.
- v. The identity of the counterparties to these efficient portfolio management techniques:
The Funds did not hold financial derivative instruments as at 30 September 2023.
- vi. The revenues arising from efficient portfolio management techniques for the entire reporting period together with the direct and indirect operation costs and fees incurred:
The Funds did not hold any currency forwards used for hedging as at 30 September 2023..

7 Further Information

You can obtain further information on the HSBC Malta Funds SICAV p.l.c. by contacting any HSBC Bank Malta p.l.c. branch and seeking the assistance of qualified staff who are authorised to give investment advice on the Funds.

Alternatively, call customer service on 2380 2380.