

Investment Objective and Policies

The Fund aims to maximise the total level of return through investment, primarily in debt securities and money market instruments issued by the Government of Malta, and equities and corporate bonds issued and listed on the MSE.

The Investment Manager may also invest directly or indirectly up to 15% of its assets in "Non-Maltese Assets". The Investment Manager will maintain an exposure to local debt securities of at least 55% of the value of the Net Assets of the Fund. The Fund is actively managed, not managed by reference to any index.

Fund Type UCITS
Minimum Initial Investment €2,500

Sustainability

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

Fund Details

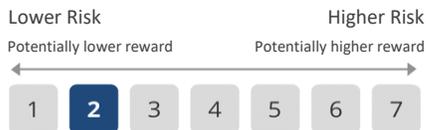
ISIN MT7000022281
Bloomberg Ticker CCMIFAB MV

Charges

Entry Charge Up to 2.5%
Exit Charge None
Ongoing Charges 2.03%
Currency fluctuations may increase/decrease costs.

Risk and Reward Profile

This section should be read in conjunction with the KID



Portfolio Statistics

Total Net Assets (in €mns) 13.81
Month end NAV in EUR 78.95
Number of Holdings 72
% of Top 10 Holdings 45.1

Current Yields

Underlying Yield (%) 4.52
Distribution Yield (%) 4.00

Country Allocation¹ %

Malta	89.0
Other	11.0

Currency Allocation %

EUR	100
-----	-----

Top 10 Issuers² %

Central Business Centres	5.8
Bank of Valletta plc	4.1
GO plc	3.6
Hili Properties plc	2.8
Malta International Airport plc	2.3
JD Capital plc	2.0
Malita Investments plc	1.6
Plaza Centres plc	1.5
SD Finance plc	1.4
Med Maritime Hub Finance	1.3

Asset Allocation³ %

Cash	1.1
Bonds	79.8
Equities	18.9

¹ including exposures to CIS and Cash

² including exposures to CIS, excluding Cash

³ including exposures to CIS

Top 10 Exposures %

4.00% Central Business Centres 2033	4.8
3.90% Browns Pharma 2031	4.1
4.65% Smartcare Finance plc 2031	3.9
4.50% Endo Finance plc 2029	3.7
3.50% Bank of Valletta plc 2030	2.9
4.00% SP Finance plc 2029	2.9
Hili Properties plc	2.8
5.00% Von Der Heyden Group Fin 2032	2.7
3.75% Tum Finance plc 2029	2.7
4.55% St Anthony Co plc 2032	2.6

Maturity Buckets⁴ %

0 - 5 years	36.4
5 - 10 years	41.2
10 years +	2.2

⁴ based on the Next Call Date

Historical Performance to Date**



Source: Calamatta Cuschieri Investment Management Ltd.

Sector Allocation³ %

Financial	52.4
Consumer, Cyclical	13.6
Consumer, Non-Cyclical	9.8
Industrial	9.3
Communications	7.4
Energy	2.0
Technology	1.9
Government	1.9
Basic Materials	0.6

Performance History
Past performance does not predict future returns

Calendar Year Performance	YTD	2025	2024	2023	2022	2021	Annualised Since Inception **
Total Return***	-0.43	-0.61	0.23	1.03	-4.30	1.07	-0.07

Calendar Year Performance	1-month	3-month	6-month	9-month	12-month
Total Return***	-0.43	0.24	-0.92	-1.51	-0.39

*The Distributor Share Class (Class B) was launched on 10 April 2018

** Performance figures are calculated using the Value Added Monthly Index "VAMI" principle. The VAMI calculates the total return gained by an investor from reinvestment of any dividends and additional interest gained through compounding. The Annualised rate is an indication of the average growth of the Fund over one year. The value of the investment and the income yield derived from the investment, if any, may go down as well as up and past performance is not necessarily indicative of future performance, nor a reliable guide to future performance. Hence returns may not be achieved and you may lose all or part of your investment in the Fund. Currency fluctuations may affect the value of investments and any derived income.

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

Introduction

Malta's economy grew by 3.0% YoY in the third quarter of 2025, accelerating modestly from 2.8% in Q2 but remaining close to its slowest pace in more than two years. Growth continued to significantly outperform the Eurozone, where GDP expanded by just 0.3% following a slight upward revision, while the region's largest economy, Germany, remained stagnant over the quarter. Household consumption rose 3.2% (from 3.1% in Q2), supported by increased spending on restaurants and accommodation, transport services, and information and communication activities. Net trade added 1.5% to GDP, with exports rising 3.9% while imports grew at a slower 3.1%.

Malta's annual inflation rate steadied at 2.5% in November, unchanged from the previous month reading. Prices increased at a faster pace for food and non-alcoholic beverages, housing and utilities, alcoholic beverages and tobacco, health, restaurants and hotels, and recreation and culture. Meanwhile, prices softened for clothing and footwear.

Market Environment and Performance

In the euro area, the economy grew by 0.3% QoQ in Q4 2025, matching the pace of the previous quarter and slightly above market expectations of 0.2%, according to a flash estimate. Among the bloc's largest economies, Spain outperformed with growth of 0.8% QoQ, while the Netherlands expanded by 0.5%. Germany and Italy each grew by 0.3%, both beating forecasts, while France grew 0.2%, as expected, and marking its weakest quarterly pace since Q1 2025.

Building on the expansion seen in the second half of 2025, January continued to reflect steady business activity. The flash Eurozone Composite PMI stood at 51.5, unchanged from December and slightly below market expectations of 51.8, indicating a temporary stabilization in private-sector growth. The overall expansion was supported by the services sector (51.9 vs. 52.4 in December), which moderated but remained in growth territory, while manufacturing returned to growth (50.2 vs. 48.9), signaling a rebound in production.

Consumer price inflation eased to 1.9% in December 2025, down from 2.1% in November and below preliminary estimates of 2.0%. The reading marked the first time since May that inflation has come in below the ECB's 2.0% target.

On the political front, France's budget process moved forward after months of political deadlock, with the government resuming formal debate following the adoption of a temporary funding law at the end of 2025. Prime Minister Sébastien Lecornu repeatedly invoked Article 49.3 of the Constitution to advance the 2026 budget without a parliamentary vote, successfully surviving several no-confidence motions. While political tensions remained elevated throughout the month, these developments kept the budget on track, paving the way for its formal adoption in early February and restoring fiscal continuity.

Fund Performance

In January, the Malta High Income Fund posted a loss of 0.43%.

The portfolio manager throughout the year remained proactive, aligning with the fund's mandate to enhance income yield. This was achieved by seizing opportunities, particularly in the IPO space within international markets. The strategy to increase the portfolio's allocation to foreign bonds and equities was implemented, with several new foreign exposures added.

Market and Investment Outlook

In Europe, sovereign bonds outperformed their U.S. counterparts as economic conditions remained broadly resilient despite elevated geopolitical risks. President Trump's threat to impose 25% tariffs on European allies in pursuit of Greenland (later rescinded) added uncertainty to the outlook but did not derail performance. French government bonds led the move, with spreads versus Germany tightening to mid-2024 levels as investors welcomed signs of improved political stability.

Looking ahead, the direction of European yields will be driven primarily by economic developments and policy decisions, particularly those of the Federal Reserve, whose anticipated rate cuts may influence European sovereign markets given the close correlation between U.S. and European rates. In addition, movements in the EUR/USD exchange rate will remain an important factor; continued U.S. dollar weakness could weigh on export competitiveness, notably for Europe's largest economies.

From a macroeconomic perspective, Malta's economy is expected to remain resilient through 2026, supported by relatively contained inflation, recently announced tax cuts taking effect as of January, and a robust tourism sector. These factors should continue to underpin domestic demand and overall economic growth.

With respect to the fund's composition, we will continue to adjust the portfolio's allocations as needed, with the goal of enhancing income yield through higher coupon bonds. This will also involve utilizing the allowed 15% allocation for non-Maltese assets.

Disclaimer

This document has been prepared for information purposes and should not be interpreted as investment advice nor to constitute an offer or an invitation by Calamatta Cuschieri Investment Management Limited ("CCIM") to any person to buy or sell units in the UCITS fund. Please refer to the Prospectus of the UCITS and any Offering Supplement thereto and to the Key Investor Information Document before making any final investment decisions which may be obtained from www.ccfunds.com.mt or from the below address. Investors are advised that an investment in the fund relates to the acquisition of units in the UCITS fund, and not in any of the underlying assets owned by the UCITS. CC Funds SICAV p.l.c. is licensed as a Collective Investment Scheme by the Malta Financial Services Authority under the Investment Services Act and qualifies as a 'Maltese' UCITS. CCIM is licensed to conduct Investment Services in Malta by the Malta Financial Services Authority under the Investment Services Act.

This document may not be reproduced either in whole, or in part, without the written permission of CCIM. CCIM does not accept liability for any actions, proceedings, costs, demands, expenses, loss or damage arising from the use of all or part of this document.

Address: Calamatta Cuschieri Investment Management Limited, Ewropa Business Centre, Triq Dun Karm, Birkirkara BKR 9034.