Calamatta Cuschieri | moneybase

MALTA HIGH INCOME FUND

SHARE CLASS B (DISTRIBUTOR) - FACT SHEET

Factsheet at 31st May 2026

Month end NAV as at 29th May 2026

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	1.45%

Currency fluctuations may increase/decrease costs.

Risk and Reward Profile

This section should be read in conjunction with the KID

Lower Risk	Higher Risk
Potentially lower reward	Potentially higher reward

1 **2** 3 4 5 6 7

Portfolio Statistics

Total Net Assets (in €mns)	13.06
Month end NAV in EUR	79.53
Number of Holdings	71
% of Top 10 Holdings	46.7

Current Yields

Underlying Yield (%)	4.55
Distribution Yield (%)	4.00

Country Allocation[1]	%
Malta	88.3
Other	11.7

[1] including exposures to CIS and Cash

Top 10 Issuers[2]	%
Central Business Centres	6.0
Bank of Valletta plc	4.4
GO plc	3.8
Malta International Airport plc	2.6
JD Capital plc	2.1
Plaza Centres plc	1.7
Malita Investments plc	1.6
Med Maritime Hub Finance	1.5
HH Finance plc	1.1
Malta Government	1.1

[2] including exposures to CIS, excluding Cash

Top 10 Exposures	%
4.00% Central Business Centres 2033	4.9
Harvest Technology plc	4.3
4.65% Smartcare Finance plc 2031	4.2
4.50% Endo Finance plc 2029	3.8
3.90% Browns Pharma 2031	3.3
3.50% Bank of Valletta plc 2030	3.1
4.00% SP Finance plc 2029	3.0
5.00% Von Der Heyden Group Fin 2032	2.9
4.55% St Anthony Co plc 2032	2.7
Malta International Airport	2.6

Currency Allocation	%
EUR	100.00

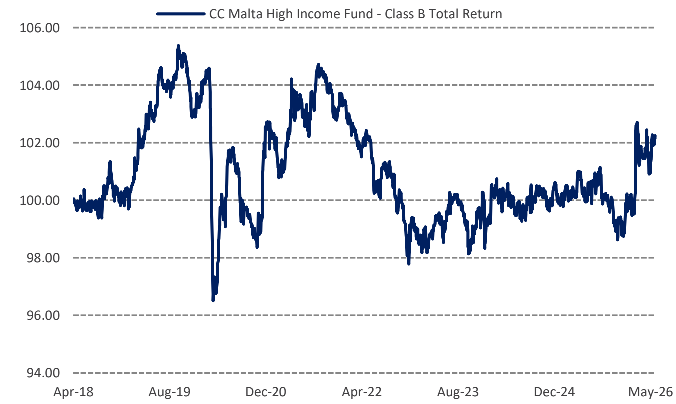
Asset Allocation[3]	%
Cash	1.3
Bonds	80.5
Equities	18.0

[3] including exposures to CIS

Maturity Buckets[4]	%
0 - 5 years	40.8
5 - 10 years	37.4
10 years +	2.3

[4] based on the Next Call Date

Historical Performance to Date**



Source: Calamatta Cuschieri Investment Management Ltd.

Sector Allocation[3]	%
Financial	51.3
Consumer, Cyclical	13.0
Industrial	10.1
Consumer, Non-Cyclical	8.7
Communications	7.9
Technology	2.7
Energy	2.3
Government	2.0
Basic Materials	0.8

Performance History

Past performance does not predict future returns

Calendar Year Performance	YTD	2025	2024	2023	2022	2021	Annualised Since Inception **
Total Return* **	2.34	-0.61	0.23	1.03	-4.30	1.07	0.27

Calendar Year Performance	1-month	3-month	6-month	9-month	12-month
Total Return* **	1.13	-0.46	2.97	2.14	1.94

*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.

Market Commentary

Introduction

Malta's economy expanded by 3.9% year-on-year in the first quarter of 2026, slowing from an upwardly revised 6.5% in the previous quarter. Despite this moderation, growth continued to significantly outperform the Eurozone, where GDP rose by just 0.8% year-on-year. The region's largest economy, Germany, grew by 0.3%, down from 0.4% in the prior period, while growth also slowed in France, Italy, the Netherlands, and Belgium. Among major economies, growth accelerated in Spain and Portugal.

Meanwhile, Malta's annual inflation rate rose to 3.2% in May from 3.0% in the previous month, marking the highest level since September 2023. The increase was driven by supply constraints linked to the Middle East conflict. Prices also accelerated in services and non-energy industrial goods, while inflation eased for food, alcohol, and tobacco.

Market Environment and Performance

In the Eurozone, economic activity weakened amid spillover effects from Middle East tensions. Q1 2026 growth slowed to its weakest pace since Q2 2024, while the S&P Global Eurozone Composite PMI fell into contraction territory. Forward-looking indicators also pointed to a weakening outlook, with the S&P Global Eurozone Composite PMI declining to 47.5 in May from 48.8, marking the sharpest contraction in private-sector activity since October 2023. The decline was driven by services, which fell at their fastest rate in over five years, while manufacturing remained relatively resilient despite slowing. Input costs rose at the fastest pace in three years, prompting firms to raise prices, eroding purchasing power. As a result, employment fell for a fifth consecutive month and business sentiment weakened further.

Consumer price inflation rose to 3.2% in May, up from 3.0% in April and matching market expectations, according to a preliminary estimate. This marked the highest reading since September 2023 and the third consecutive month in which inflation has exceeded the ECB's 2% target, as energy costs soared 10.9%.

On the policy front, a number of ECB members viewed the April decision to keep rates unchanged as a close call and indicated they would have supported a rate hike had it been proposed, according to the latest ECB meeting minutes. Policymakers cautioned that the energy-led supply shock was proving more persistent than initially anticipated, heightening the risk of broader and more entrenched inflationary pressures. At the same time, the conflict in the Middle East was identified as a significant source of uncertainty for both inflation and growth. Members also highlighted the increasingly difficult policy trade-off, with slowing economic activity and weakening confidence occurring alongside elevated inflation risks.

Fund Performance

In May, the Malta High Income Fund posted a gain of 1.14%.

Throughout the year, the portfolio manager maintained a proactive approach, in line with the fund's mandate to enhance income generation. This was achieved by further reducing the fund's exposure to local equities and low-coupon bonds. On the buy side, we continued to capitalize on opportunities as they arose, particularly in the IPO space across both local and international markets.

Market and Investment Outlook

Benchmark yields were in recent months driven by developments in the Middle East, alongside economic data releases and central bank policy signals. Inflation accelerated notably, while leading indicators pointed to a sustained contraction in business activity, reflecting the impact of higher energy costs and ongoing supply disruptions on the real economy.

However, cautious optimism surrounding a potential U.S.-Iran agreement helped alleviate inflation concerns and supported demand for government bonds in May. As a result, European sovereign yields generally moved lower, with the German 10-year Bund ending the month at 2.94%, down 10bps from previous month-end. Yields in France, Italy, Spain, and Portugal also declined, with the tightening exceeding that observed in Germany.

Looking ahead, the outlook remains uncertain. While diplomatic efforts have gained momentum, energy prices - although off their recent highs - remain volatile and elevated relative to pre-conflict levels, as energy flows through the Strait of Hormuz continue to face constraints. The broader economic impact will depend largely on the duration and evolution of the conflict. A return to normalised energy markets remains particularly important for Europe, given its reliance on imported energy. Persistently elevated energy prices could continue to fuel inflationary pressures and weigh on consumer spending and broader economic activity.

Locally, Malta's economy is expected to remain resilient through 2026, supported by relatively contained inflation (as energy prices remain subsidised by the government), 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.

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