Calamatta Cuschieri | moneybase

HIGH INCOME BOND FUND

SHARE CLASS C (DISTRIBUTOR) - FACT SHEET

Factsheet at 31st October 2026

Month end NAV as at 30th October 2026

Investment Objective and Policies

The Fund aims to maximise the total level of return for investors by investing, mainly in a diversified portfolio of bonds and other similar debt securities. In pursuing this objective, the Investment Manager shall invest primarily in a diversified portfolio of corporate & government bonds maturing in the medium term, with an average credit quality of "Ba3" by Moody's or "BB-" by S&P, although individual bond holdings may have higher or lower ratings. The Fund can also invest up to 10% of its assets in Non-Rated bond issues. The Fund is actively managed, not managed by reference to any index.

Fund Type	UCITS
Minimum Initial Investment	$2,500

Sustainability

The fund does not promote environmental or social characteristics and does not have sustainable investment as its objective within the meaning of Articles 8 and 9 of Regulation (EU) 2019/2088 ('SFDR').

Fund Details

ISIN	MT7000030920
Bloomberg Ticker	CCHIBNC MV

Charges

Entry Charge	Up to 2.5%
Exit Charge	None
Ongoing Charges	1.88%

Currency fluctuations may increase/decrease costs.

Risk and Reward Profile

This section should be read in conjuction 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)	42.41
Month end NAV in USD	75.89
Number of Holdings	161
% of Top 10 Holdings	15.6

Current Yields

Last 12-m Distrib. Yield (%)	4.50
Underlying Yield (%)	5.55

Country Allocation[1] %

United States	18.0
France	14.4
Italy	8.8
Germany	5.8
Brazil	5.6
United Kingdom	4.0
Luxembourg	3.3
Turkey	3.0
Spain	2.9
Netherlands	2.7

[1] including exposures to CIS

Credit Rating[2] %

From AAA to BBB-	26.5
From BB+ to BB-	53.5
From B+ to B-	8.4
CCC+	0.0
Less than CCC+	1.7
Not Rated	3.8
Average Credit Rating	**BB**

[2] excluding exposures to CIS

Top 10 Exposures %

5.625% Unicredit Spa perp	2.3
iShares USD High Yield Corp	2.0
6.625% NBM US Holdings Inc 2029	1.5
5.375% Lottomatica Group Spa 2030	1.5
6.375% Raiffeisen Bank Intl perp	1.4
5% CMA CGM SA 2031	1.4
5.25% Dufry One BV 2032	1.4
5.625% Iliad Sa 2030	1.4
5.875% Credit Agricole Sa perp	1.3
6.15% Teva Pharm 2036	1.3

Currency Allocation %

EUR	58.9
USD	41.1
Others	0.0

Asset Allocation %

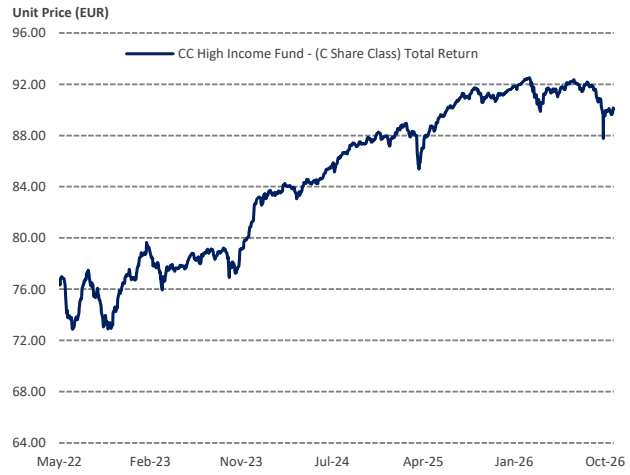
Cash	2.7
Bonds	93.9
CIS/ETFs	3.4

Maturity Buckets[3] %

0 - 5 years	66.4
5 - 10 years	25.0
10 years +	2.5

[3] based on the Next Call Date

Historical Performance to Date**



Source: Calamatta Cuschieri Investment Management Ltd.

Sector Breakdown[2] %

Banks	13.0
Telecommunications	9.2
Auto Parts&Equipment	5.8
Entertainment	5.6
Sovereign	4.8
Pharmaceuticals	4.7
Transportation	4.4
Media	3.8
Real Estate	3.6
Funds	3.4
Oil&Gas	3.2
Mining	3.1

Performance History**

Past performance does not predict future returns

Calendar Year Performance	YTD	2025	2024	2023	2022	Annualised Since Inception***
Share Class D - Total Return**	-5.64	0.16	1.38	4.71	N/A	-0.14

Total Return	1-month	3-month	6-month	9-month	12-month
Share Class D - Total Return**	0.34	-3.71	-3.57	-6.05	-5.18

* The share class C was launched on 21 May 2022.

** 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 Distributor Share Class (Class D) was launched on 01 September 2011. 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 Total Expense Ratio ("TER"). Entry and exit charges may reduce returns for investors.

Market Commentary

Introduction

Fixed income markets delivered a mixed performance in October, with returns across credit segments diverging from the trends observed in previous months. Government bond yields, across developed markets, tightened, supported by a rotation towards higher-quality assets amid increased equity market volatility. This rally came despite resilient economic activity and elevated oil prices, as geopolitical tensions in the Middle East remained unresolved.

In the U.S., the 10-year Treasury yield declined markedly, falling towards 4.90% by month-end and reaching its lowest level in several weeks. European sovereign markets followed a similar trajectory, albeit to a lesser extent, with the 10-year German Bund yield declining by 26 basis points (bps) over the month, outperforming its peripheral counterparts.

France, however, remained a notable exception to the broader sovereign bond rally. The spread between 10-year French government bonds and German Bunds widened to nearly 170bps, reflecting mounting investor concerns over the country's fragile fiscal position and political uncertainty ahead of next year's elections. Widespread social unrest and damage across several cities further exacerbated these concerns, adding to pressure on French sovereign yields and highlighting the growing political challenges facing the current government.

Within corporate credit, declining government bond yields provided a supportive backdrop, particularly for longer-dated, higher quality securities. U.S. and European investment grade credit returned 2.16% and 0.96%, respectively. Meanwhile, high yield performance was more subdued. U.S. high yield outperformed, posting a modest gain of 0.3%. Euro high yield declined by 1.06%, largely reflecting concerns surrounding France.

On the monetary policy front, the European Central Bank (ECB) kept interest rates unchanged at its October meeting, in line with expectations. While policymakers highlighted the potential inflationary impact of elevated energy prices, underlying inflation remained broadly stable, with limited evidence of renewed wage pressures. Additionally, the ECB offered little forward guidance, reiterating the uncertainty surrounding the economic outlook and acknowledging that tighter financial conditions could weigh further on growth and inflation. The Federal Reserve also maintained interest rates at 3.75%-4.00%, following September's 25bps hike, the first since 2023. Although the decision was widely anticipated, two policymakers favoured a further 25bps increase.

Market Environment and Performance

The U.S. economy continued to demonstrate resilience, with third-quarter Gross Domestic Product (GDP) growth at an annualized 3.4% in Q3 2026, the most in a year, compared to a 2.2% rise in Q2 and above expectations of 3.2%. The largest upward contribution came from private domestic investment amid strong investment in Artificial Intelligence (AI). Personal consumption remained robust led by both goods and services.

Forward-looking indicators too remained encouraging. The S&P Global U.S. Composite Purchasing Managers' Index (PMI) eased to 57.6 in October from 58.4 in the previous month, but remained firmly in expansion territory and signalled the second-strongest increase in business activity since March 2022. Growth in new orders strengthened markedly, while export sales recorded their largest gain since May 2022. Employment also remained strong as companies increased staffing to meet demand and address growing backlogs. However, mounting cost pressures drove selling-price inflation to its highest level since August 2022.

Headline inflation accelerated to 3.7% in September, up from 3.4% in each of the previous two months and above market expectations of 3.6%, driven by higher energy prices. Gasoline and fuel prices rose markedly, while inflation eased for food. Core inflation, which excludes volatile food and energy costs, rose to 2.6% from 2.4% in the previous month.

In the euro area, GDP grew by 0.4% in Q3, slowing from 0.6% in Q2 but exceeding market expectations of 0.2%, according to preliminary estimates. Ireland led the region with growth of 5.5%, driven by strong AI-related investment, while Spain and the Netherlands both expanded by 0.6%, supported by consumer spending. Germany recorded modest growth of 0.2%, while France unexpectedly contracted by 0.1%, weighed down by weaker exports and investment. Italy, meanwhile, stagnated amid declining industrial output.

Eurozone inflation accelerated for a third consecutive month to 3.8% in September 2026, the highest in over 3 years. Prices rose faster for energy, services and food, alcohol and tobacco. On the other hand, inflation slowed slightly for non-energy industrial goods.

Fund Performance

The CC High Income Bond Fund posted a positive 0.12% return in October, primarily reflecting the positive performance in U.S. high yield credit. Despite the challenging environment, the portfolio manager maintained an active approach, gradually enhancing the fund's income profile by selectively capturing opportunities and not shying away from cautiously increasing the portfolio duration, in line with the view that yields in the U.S. may have somewhat been peaked.

During the month, the manager increased the fund's exposure to leading cruise operator Carnival Corp SES SA, Betclic Tipico, and Vedanta Resources. Additionally, the manager opened new positions in InPost, Paprec, Holding d'Infrastructures des Métiers (HIME), and Italian pharmaceutical giant Recordati. This, allowing us to increasing the portfolio's income yield, as we benefited from the higher carry offered by the new issues.

Market and Investment Outlook

Geopolitical tensions in the Middle East remained elevated throughout October, with the ongoing conflict involving the US, Israel and Iran continuing to undermine regional stability. Efforts to revive ceasefire arrangements and advance diplomatic negotiations made limited progress, sustaining uncertainty across the region. This continued instability contributed to volatility in energy markets, particularly oil and European natural gas, presenting a key upside risk to the inflation outlook.

Against this backdrop, a cautious yet opportunistic investment approach remains warranted. The recent widening in high yield credit spreads has created selective entry opportunities, which we believe offer attractive relative value. Furthermore, the elevated benchmark yield environment drove issuers to offer more attractive coupons to access capital markets, improving the income potential for bondholders. This has created selective opportunities, particularly where the underlying credit fundamentals remain strong. Such opportunities enable us to enhance portfolio income while selectively increasing exposure to issuers offering attractive risk-adjusted returns.

At the time of writing, we maintain our view that fixed income returns are likely to be increasingly driven by income rather than capital appreciation, underscoring the importance of securing attractive coupons from issuers with strong credit fundamentals.

Disclaimer

This is a marketing communication and it is not investment advice, a recommendation, or an inducement to buy or sell any financial instrument. Retail investors should seek independent advice if unsure whether the fund is suitable for them.

Please refer to the Prospectus, any Offering Supplement, and to the Key Information Document (KID) of the fund before making any final decision. Information documents are free of charge, in English, at www.ccfunds.com.mt or from the address below. The KID contains important information about the fund's objectives, costs, and Summary Risk Indicator. 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.

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