Calamatta Cuschieri | moneybase

MALTA HIGH INCOME FUND

SHARE CLASS B (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 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 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	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)	11.64
Month end NAV in EUR	79.89
Number of Holdings	66
% of Top 10 Holdings	48.0

Current Yields

Underlying Yield (%)	4.58
Distribution Yield (%)	4.25

Country Allocation[1] %

Malta	87.4
Other	12.6

[1] including exposures to CIS and Cash

Top 10 Issuers[2] %

Central Business Centres	7.1
Bank of Valletta plc	4.9
Malta Government	3.5
GO plc	3.0
JD Capital plc	2.5
Malita Investments plc	1.8
RS2 Software plc	1.7
HH Finance plc	1.3
Midi plc	0.9
IHI plc	0.7

[2] including exposures to CIS, excluding Cash

Top 10 Exposures %

4.00% Central Business Centres 2033	5.8
4.65% Smartcare Finance plc 2031	4.7
4.50% Endo Finance plc 2029	4.3
3.50% Bank of Valletta plc 2030	3.4
4.00% SP Finance plc 2029	3.4
5.00% Von Der Heyden Group Fin 2032	3.2
4.55% St Anthony Co plc 2032	3.1
5.00% Convenience Shop Hld 2029	2.9
5.00% Hili Finance Co plc 2029	2.7
4.00% MeDirect Bank Malta plc 2029	2.5

Currency Allocation %

EUR	100.0

Asset Allocation[3] %

Cash	1.4
Bonds	87.7
Equities	10.8

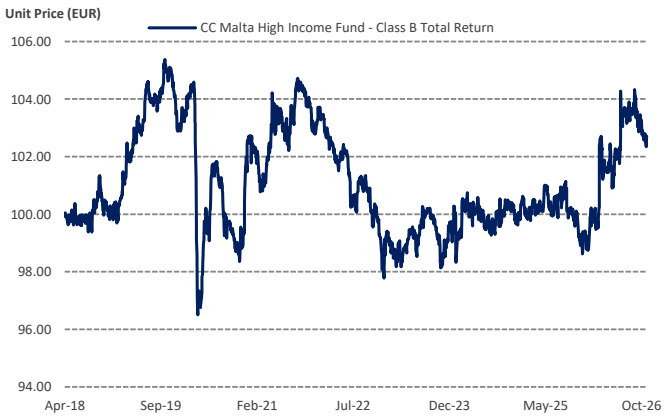
[3] including exposures to CIS

Maturity Buckets[4] %

0 - 5 years	46.2
5 - 10 years	39.0
10 years +	2.6

[4] based on the Next Call Date

Historical Performance to Date**



Source: Calamatta Cuschieri Investment Management Ltd.

Sector Allocation[3] %

Financial	51.0
Consumer, Cyclical	14.0
Consumer, Non-cyclical	9.4
Industrial	8.5
Communications	7.1
Government	3.5
Technology	3.4
Energy	0.9
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***	2.81	-0.61	0.23	1.03	-4.30	1.07	0.31

Calendar Year Performance	1-month	3-month	6-month	9-month	12-month
Total Return***	-0.51	-0.52	1.59	3.25	3.50

*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 Total Expense Ratio ("TER"). Entry and exit charges may reduce returns for investors.

Market Commentary

Introduction

Malta's economy maintained strong growth momentum in the second quarter of 2026, underpinned by resilient domestic demand, robust tourism activity and sustained consumer confidence. Gross Domestic Product (GDP) grew by 4.5% Year-on-Year (YoY), accelerating from an upwardly revised 4.2% in Q1. On a Quarter-on-Quarter (QoQ) basis, economic growth reached 1.1%, significantly outperforming the euro area and highlighting Malta's continued economic resilience.

Domestic demand remained a key contributor to economic expansion, with growth accelerating to 4.2% from 3.2% in Q1, supported by increases in both government and household consumption. Relatively contained inflation has continued to support purchasing power and consumer confidence, thereby underpinning domestic economic activity. However, inflationary pressures showed signs of re-emerging, with the annual inflation rate rising to 2.4% in September, compared with 2.0% in August, driven primarily by faster price increases in food and non-alcoholic beverages, as well as clothing and footwear.

Government subsidies on energy prices have continued to play an important role in moderating domestic inflation, with stable fuel and electricity prices helping to insulate households from the direct impact of higher international energy costs amid persistent geopolitical tensions. This policy support has contributed to the resilience of household consumption and the broader economy, although the sustainability of this buffer remains an important consideration should external energy-price pressures intensify.

Market Environment and Performance

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 Artificial Intelligence (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.

On the monetary policy front, the European Central Bank (ECB) kept interest rates unchanged at its October meeting, in line with expectations. While policymakers acknowledged the inflationary risks stemming from elevated energy prices, underlying inflation remained broadly contained, with no significant signs 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.

In contrast to the trend observed year-to-date, the local fixed income market outperformed equities in October, recording a marginal gain of 0.25% and bringing its year-to-date return to 1.02%. Performance across the fixed income segment has remained constrained by the continued supply of new bond issues, which have generally offered more attractive coupon rates than those available in previous years. This has reinforced investor preference for newly issued, higher-yielding instruments, dampening demand for outstanding bonds with comparatively lower coupons and limiting their potential for price appreciation.

Equities, meanwhile, declined by 2.7% during the month, reducing their year-to-date gain to 18.71%. Despite the monthly setback, the equity market continues to deliver substantially stronger returns than fixed income over the year, although performance has been largely concentrated in a relatively small number of individual companies.

Fund Performance

In October, the Malta High Income Fund posted a loss of 0.50%.

Throughout the year, the portfolio manager maintained a proactive approach in line with the fund's mandate to enhance income generation. This included further reducing exposure to local equities and low-coupon bonds, with proceeds selectively reinvested in Malta Government Stocks and foreign bonds. This reallocation also improved the portfolio's liquidity, an important consideration given the typically lower liquidity of the local market.

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, prolonging uncertainty across the region. This persistent 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, the ECB maintained a cautious stance, offering little forward guidance on the future policy path. Nevertheless, acknowledging the potential inflationary pressures stemming from higher energy prices, policymakers have left the door open to further monetary tightening should this become necessary to ensure inflation returns to its 2.0% target in a timely manner, while remaining mindful of the potential impact of tighter financial conditions on economic growth.

Government bond yields across Europe followed the downward trajectory of their US counterparts, albeit to a lesser extent. US Treasuries benefited from a rotation towards higher-quality assets amid heightened equity market volatility, a trend that also provided support to European sovereign debt. In October, the 10-year German Bund yield declined by 26 basis points (bps), outperforming its peripheral counterparts. France, however, remained a notable exception to the broader sovereign bond rally, as mounting investor concerns over the country's fragile fiscal position and political uncertainty ahead of next year's elections sustained. The 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.

Against this backdrop, maintaining a vigilant and flexible approach at fund level will remain essential. Close monitoring of geopolitical developments, their impact on Europe's economic outlook, and forthcoming ECB policy decisions will be critical in determining the appropriate duration positioning within the portfolio. Nevertheless, we intend to maintain exposure to European sovereign bonds, utilising the permitted 15% allocation. This allocation also provides an important source of enhanced liquidity, which is less readily available in the local market.

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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