

## JANUARY 2026

### 1. FUND PERFORMANCE

| AVERAGE                                   | 2025  | JANUARY 2026<br>(ANNUALIZED RETURN) | *PERFORMANCE SINCE INCEPTION<br>(07-OCTOBER-2019) |
|-------------------------------------------|-------|-------------------------------------|---------------------------------------------------|
| Cytonn High Yield Fund (CHYF)             | 22.1% | 19.0%                               | 16.7%                                             |
| Benchmark (182 day T- Bill + 5.0% points) | 13.6% | 12.8%                               | 15.1%                                             |

*\*Historical Percentage you can expect to earn with the fund during one year of investment on basis of the so far realized monthly returns*

### 2. FUND MANAGER'S REPORT AND OUTLOOK

#### Fund Objective

The Cytonn High Yield Fund is a specialized Collective Investment Scheme with exposure skewed towards investment in real estate assets. The Fund aims at capital preservation while earning high returns and maintaining sufficient liquidity. The Fund aims to achieve above average returns that not only beat inflation but are also better than the yields offered by both government securities and fixed deposits.

#### Portfolio Strategy

The fund will largely be invested in fixed income and real estate related securities. Being a specialized Fund, the Fund can invest up to 80.0% in Real Estate funds, but to ensure sufficient diversification, no single investment should be more than 25.0% of the portfolio unless in special cases.

#### Economic report and outlook

According to the Kenya National Bureau of Statistics (KNBS) released the Q3'2025 Quarterly Gross Domestic Product Report, indicating that the Kenyan economy expanded by 4.9% in Q3'2025, higher than the 4.2% growth recorded in Q3'2024. The improved performance was largely driven by accelerated growth in key sectors, with Mining and Quarrying rebounding to 16.6% in Q3'2025 from a 12.2% contraction in Q3'2024, Construction expanding by 6.7% in Q3'2025 from a 2.6% contraction in Q3'2024, and Electricity and Water Supply growing by 3.6% in Q3'2025 from 0.9% in Q3'2024. However, the Agriculture and Forestry sector, the main contributor to GDP, recorded a slower growth of 3.2% in Q3'2025, down from 4.2% in Q3'2024, while several service-oriented sectors experienced moderated growth rates, including Information and Communication, which slowed to 4.5% in Q3'2025 from 6.1% in Q3'2024, and Professional Services, which moderated to 6.1% from 7.8%. Despite the moderation, the economy demonstrated resilience supported by recovery in extractive, construction, and selected service sectors.

During the month, the average yields on the government papers were on a downward trajectory during the month, with the average 364-day, 91-day and 182-day papers yields decreasing by 7.9 bps, 4.7 bps, and 0.3 bps to 9.2%, 7.7% and 7.8% respectively, from an average of 9.3%, 7.8% and 7.8% recorded the previous month. Additionally, the Kenya Shilling depreciated marginally by 1.5 bps against the US Dollar, to remain relatively unchanged from the Kshs 129.0 recorded at the end of December.

The January 2026 y/y inflation rate came in at 4.4% from 4.5% recorded in December 2025. Notably, inflation has remained within the CBK target range of 2.5%-7.5% for the past thirty-one months.

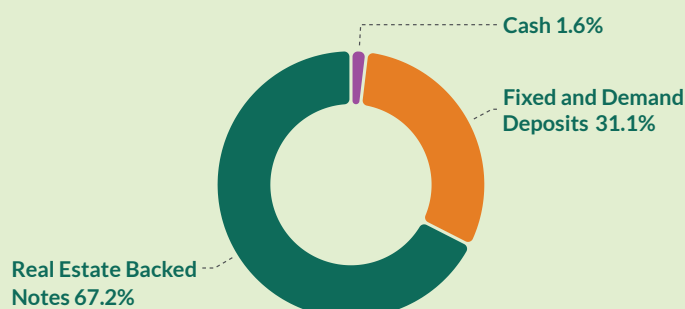
#### Portfolio Performance

The Cytonn High Yield Fund delivered an average return of 19.0% p.a. beating the inflation rate of 4.4% in the month of January to deliver positive real returns.

#### FUND PROFILE

- ◉ **Fund Manager:** Cytonn Asset Managers Limited
- ◉ **Risk Profile:** This is a medium to high risk investment fund
- ◉ **Minimum Initial Investment:** Kshs. 100,000
- ◉ **Minimum Additional Investment:** Kshs. 10,000
- ◉ **Annual Management Fee:** 2.0%
- ◉ **Initial Fee:** Nil
- ◉ **Trustee:** Goal Advisory
- ◉ **Custodian:** SBM Bank Kenya Ltd
- ◉ **Benchmark:** Average 182-day T-Bill + 5.0% points

#### ACTUAL ASSET ALLOCATION



**Disclaimer:** Past performance is not a guarantee of future performance and the value of the fund will fluctuate from time to time.