# LENO FINANCIAL SAC BALANCED FUND

Quarterly Report for the period ended March 31, 2026

## Investment Manager

Leno Asset Management Ltd.

## Analysis Period

January 1, 2026 – March 31, 2026

## 1st Quarter Review

- Locally, economic activity continued to strengthen year-over-year in February 2026, with tourism remaining the primary driver of growth.
- Financial sector conditions improved modestly, supported by reductions in both short- and long-term arrears, which contributed to better credit quality.
- Liquidity conditions remained adequate across the banking system, supporting credit extension and overall economic activity.
- The fund's holdings remained stable, with all interest and dividend payments met. Government bond yields moved unevenly across the yield curve, resulting in varied price performance for the fund's bond portfolio.
- This outlook was undermined by a U.S.–Israel strike on Iran that escalated into conflict, disrupting key energy routes, pushing oil above $100, and heightening global inflation and growth risks.
- Overall, the combination of steady local growth and a still-supportive (though more uncertain) global environment provided a constructive setting for fund performance.
- The BISX All Share Index advanced by 0.54 percent in the first quarter of 2026.

The Fund outperformed its benchmark by +0.64% in Q1. It is currently underweight in equities and is rebalancing toward target allocations. NAV per share increased from $2.1659 to $2.1788 over the quarter.

The Fund's top five preference and common shareholdings in the portfolio include 1) Cable Bahamas (6.18%); 2) FOCOL (4.24%); 3) Be Aliv Series II (2.33%); 4) Commonwealth Bank (1.89%); 5) Easy Terms (1.36%).

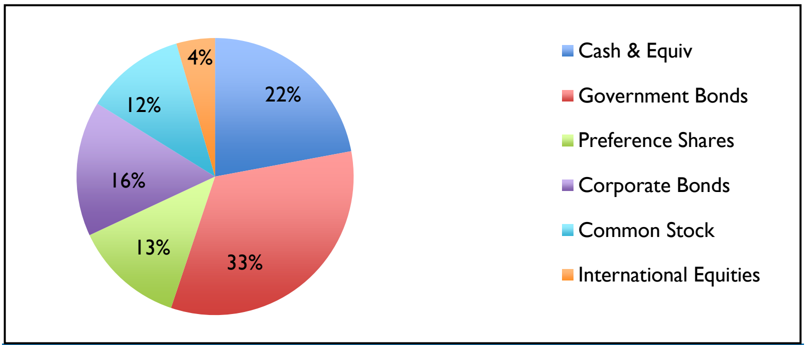
## INVESTMENT STRATEGY

Leno Financial Balanced Fund (the "Fund") aims to provide moderate risk-adjusted returns over a mid to long investment time horizon. Balanced funds are generally "middle of the road" investments that seek to provide a combination of growth and conservation of capital by investing in a mix of stocks, bonds, and cash equivalent securities.

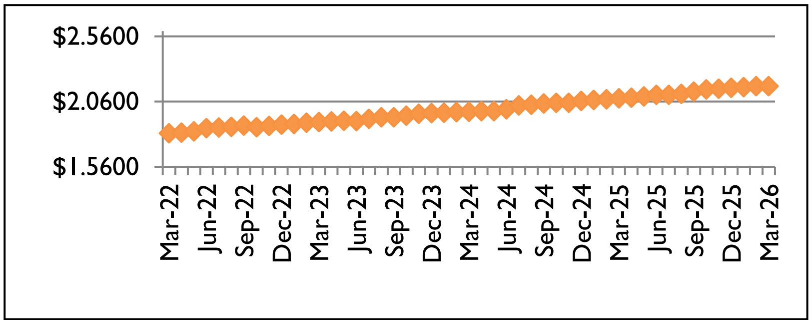
## INVESTMENT OBJECTIVE

The Fund invests predominantly in Bahamas Government bonds and a diversified portfolio of bank deposits, corporate bonds, and preference shares. Its emphasis is on principal protection and maintaining high credit quality. The portfolio carries a low level of risk to the Investor and provides capital preservation while generating a reasonable yield.

## Fund Composition




## Net Asset Value Performance




## Benchmark

Composite Benchmark

*(weighted avg. deposit int.50%, BISX ALL Share Index 40%, MSCI ACWI Net 10%)*

| Performance | Qtr-1 | YTD | 1 YR | *3 YR (annualized) | *Since Inception (annualized) |
|---|---|---|---|---|---|
| Fund | +0.60% | +0.60% | +4.48% | +4.59% | +4.51% |
| Benchmark | -0.04% | -0.04% | +1.68% | +4.91% | +2.39% |
| +/- Benchmark | +0.64% | +0.64% | +2.80% | -0.32% | +2.12% |



* Benchmark returns presented do not reflect the new allocation changes implemented in Q4 2025.