LENO

LENO FINANCIAL SAC CONSERVATIVE 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

- Over the first quarter of 2026, the Government offered approximately $71.3 million in financing through the reopening of existing benchmark bond issuances to the public.
- International developments may push inflation higher. If prolonged, this could place upward pressure on interest rates and negatively affect government bond valuations.
- The Bahamas maintained its sovereign credit ratings at BB-, as affirmed by S&P Global Ratings, preserving the improvement from B+ in the previous year.
- Government bond yields generally rose at the short end of the curve; some of the fund's securities declined across medium- and long-term maturities, resulting in a mix of price movements.
- The Fund's increased allocation to government bonds benefited from lower medium and long-term yields and interest income earned during the period, supporting overall performance.
- During the quarter, the Central Bank issued approximately $893.35 million in Treasury Bills. The Fund chose not to participate in these offerings, instead directing its capital toward government bonds that provided relatively higher yields over the same period.

The Fund benefitted from the stable income of the underlying securities. It ended Q1 outperforming its benchmark by +0.13%. Over the quarter, the Net Asset Value per Share (NAV) rose from $1.9556 to $1.9613, reflecting a positive performance.

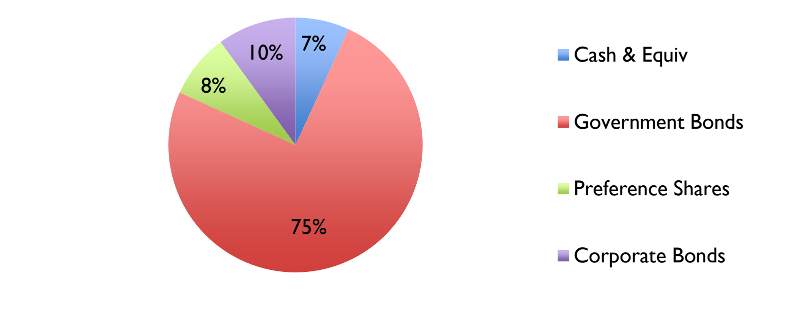
INVESTMENT STRATEGY

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.

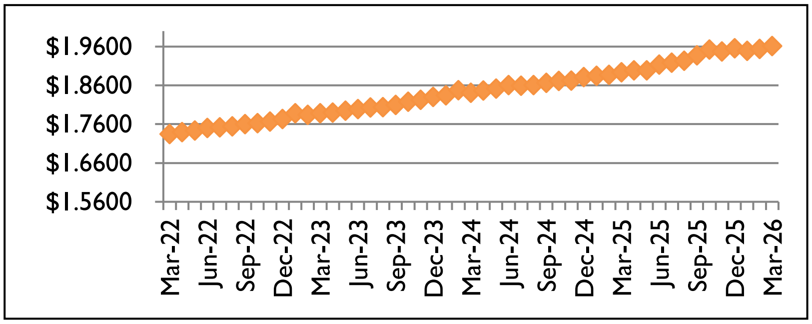
INVESTMENT OBJECTIVE

Leno Financial Conservative Fund (the "Fund") is a fixed-income fund that aims to provide a modest level of return while maintaining liquidity and preserving capital, mainly through investments in Government Bonds, high-quality corporate securities, and term deposits. The Fund seeks to maintain a Net Asset Value that provides its Shareholders with stable, low

Fund Composition



Net Asset Value Performance



Benchmark

WEIGHTED AVERAGE DEPOSIT INTEREST RATE

(Source: Quarterly Digest, The Central Bank of The Bahamas – www.centralbankbahamas.com)

Performance	Qtr-1	YTD	1 YR	3 YR (annualized)	Since Inception (annualized)
Fund	+0.29%	+0.29%	+3.54%	+3.13%	+3.89%
Benchmark	+0.16%	+0.16%	+0.63%	+0.58%	+1.47%
+/-	+0.13%	+0.13%	+2.91%	+2.55%	+2.42%