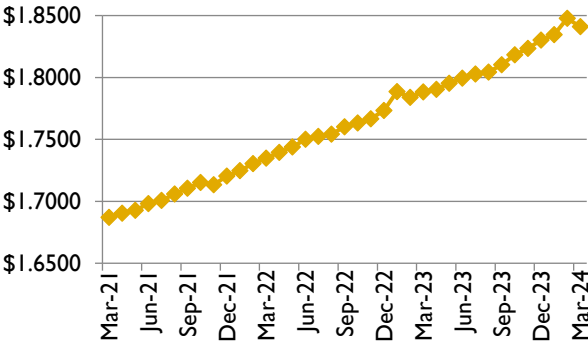
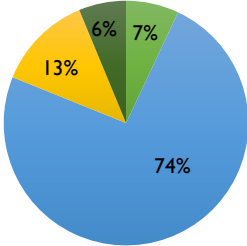




LENO FINANCIAL SAC CONSERVATIVE FUND

Quarterly Report for the period ended March 31, 2024

| Investment Objective | Investment Strategy | | | | |
|--|--|--------|--------|--------|-----------------|
| 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 stable, low-risk returns. | 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. | | | | |
| 1 st Quarter Review | | | | | |
| The economic and fixed-income market update for the quarter under review is as follows: | | | | | |
| <ul style="list-style-type: none">➤ Total visitor arrivals were 1.6 million, a 12% increase driven by sea travel.➤ Excess liquidity rose by \$337.8 million, while excess reserves grew by \$305.9 million.➤ Commercial, Consumer credit, and Residential mortgages increased cumulatively by \$33.9 million, while private sector arrears decreased by 1.7%.➤ Discount rates for 91-day Treasury Bills remained flat, while the discount rate for 182 Treasury Bills increased by 16 basis points.➤ Commercial banks continue to take up the lion's share of Treasury offerings.➤ 3 to 10-year bond prices rose while 20 and 30-year bond valuations remained unchanged.➤ The Central Bank of The Bahamas held three benchmark offers amongst the introduction of competitive bidding as an option for Bahamas Registered Securities (BRS). | | | | | |
| The Fund ended the quarter with a Net Asset Value of \$1.8409, outperforming its benchmark by +0.45%. The top five preference share and corporate bond holdings in the portfolio include 1) University of The Bahamas (3.05%); 2) Cable Bahamas (2.86%); 3) Public Hospital Authority (2.05%); 4) Nassau Cruise Port (1.98%); 5) FOCOL Pref Shares (1.84%). | | | | | |
| Net Asset Value Performance | Fund Composition | | | | |
|  |  <div><div>Cash & Equiv</div><div>Government Bonds</div><div>Preference Shares</div><div>Corporate Bonds</div></div> | | | | |
| Investment Manager | Analysis Period | | | | |
| Leno Asset Management Ltd. | January 1, 2024 – March 31, 2024 | | | | |
| 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 | Since Inception |
| Fund | +0.58% | +0.58% | +2.94% | +2.95% | +3.91% |
| Benchmark @31Dec2023 | +0.13% | +0.13% | +0.59% | +0.54% | +0.86% |
| +/- Benchmark | +0.45% | +0.45% | +2.35% | +2.41% | +3.05% |

This document was prepared by Leno Corporate Services Limited, which is licensed as a Broker/Dealer and an Unrestricted Investment Fund Administrator by the Securities Commission of The Bahamas. This quarterly review is for informational purposes only. Past performance and rates of return are not indicative of future results.