



FUND INFORMATION

Investment Objective: CFAL Balanced Fund, Ltd. ("the Fund") seeks to achieve diversified above-average risk adjusted returns consistent with the Fund's risk tolerance.

Investment Strategy: The Fund will pursue its objective by investing primarily in a blend of equities which possess strong long-term value and growth and high-quality fixed income securities. These investments may include common stock, preference shares corporate and government bonds and cash equivalents.

Net Assets: \$62.805M
Net Asset Value/ Share: \$5.867
Currency: BSD
Fund Inception Date: Oct-31-1994
Management Fee: 1.00%
Subscription/Redemption Fee: 0.00%
Expense Ratio (2024): 0.97%
Early Withdrawal Fee: No early withdrawals permitted

Investment Manager: CFAL

Bloomberg Ticker: COLMSIP BM

Benchmark: Blended Index (BISX/ Local Prime Rate/ Weighted Avg. Deposits)

*Benchmark changed December 31, 2019

TOP 5 COMMON STOCK HOLDINGS

Holdings	%	YTD 2026 Return
FCL	4.31	+3.73
CHL	3.06	+15.72
JSJ	1.66	+1.38
CBL	1.34	-4.34
CIB	1.33	+2.16

EQUITY SECTOR ALLOCATION

Sector	(%)
Financials	53.65
Energy	24.29
Utilities	16.07
Consumer Staples	4.37
Industrials	1.06
Consumer Discretionary	0.53
Health Care	0.03

PERFORMANCE SUMMARY (%)

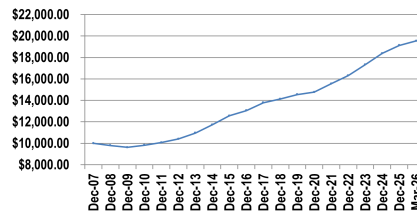
As at March 31, 2026

	Cumulative		Annualized					Incept.
	QTR1	YTD	1 Year	3 Year	5 Year	7 Year	10 Year	
Fund	+1.64	+1.64	+5.48	+6.21	+5.78	+4.65	+4.38	+5.79
Benchmark	+0.76	+0.76	+3.61	+6.56	+6.85	+4.86	+4.66	n/a
+/- Benchmark	+0.88	+0.88	+1.87	-0.35	-1.07	-0.21	-0.28	n/a

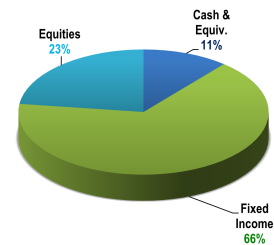
CALENDAR YEAR PERFORMANCE (%)

	YTD							
	2026	2025	2024	2023	2022	2021	2020	2019
Fund	+1.64	+4.66	+6.06	+6.18	+4.87	+5.32	+1.58	+2.93
Benchmark	+0.76	+3.66	+4.69	+5.97	+11.18	+5.28	-1.28	+4.88
+/- Benchmark	+0.88	+1.00	+1.37	+0.21	-6.31	+0.04	+2.86	-1.95

GROWTH OF \$10,000



ASSET ALLOCATION



PERFORMANCE REVIEW:

The CFAL Balanced Fund, Ltd. advanced +1.64% in Q1 2026 ending the quarter with a Net Asset Value of \$5.867 per share. Year over year the Fund delivered a return of +5.48%. The Fund outperformed its blended benchmark index by 0.88 percentage points for the quarter and 1.87 percentage points year over year. The local stock index, BISX, added +0.54% in the first quarter, and +3.30% year over year.

All portfolio segments recorded positive returns in the first quarter. Equity holdings saw the strongest performance, rising +3.85%, while fixed-income investments increased +1.02%. Cash and cash equivalent investments gained of +0.21%. During the quarter, the best-performing common stocks, inclusive of dividends, were Colina Holdings (+15.72), Bahamas First (+11.05%), and Bank of the Bahamas (+8.58%). The biggest decliners were Fidelity Bank (-8.07%), Commonwealth Bank (-4.34%) and Doctors Hospital (-3.66%). Overall, the common stock portfolio rose +4.98% for the quarter, outperforming BISX.

The Bahamian economy continued to expand at a steady but moderate pace during the first quarter, with economic indicators largely aligning with medium-term expectations. International institutions project real GDP growth between 1.8% and 2.2% in 2026. Tourism activity remains a key support to economic performance. Year to date as of February 2026 total visitor arrivals stood at 2.43M, an increase of 18.4% from the previous year. Arrivals were led overwhelmingly by cruise traffic, with sea arrivals rising 20.6% from the previous year, while air arrivals posted a more modest gain of 4.7%.

Fiscal pressures persist, with national debt rising to \$12.73 billion as at December 2025; however, debt-to-GDP ratios showed modest improvement year-over-year. Government finances strengthened somewhat during the first half of FY2025/26, as total revenues increased, driven by higher tax and non-tax collections, while the overall fiscal deficit narrowed despite continued growth in recurrent spending. Banking sector liquidity contracted modestly, even as deposits continued to expand. While the near-term outlook remains stable, elevated debt levels, ongoing fiscal deficits, and softer stopover demand continue to weigh on economic resilience, underscoring the importance of sustained fiscal consolidation and policies aimed at fostering durable growth. Against this backdrop, the CFAL Balanced Fund will continue to emphasize cash and fixed-income investments, while selectively allocating to equities to enhance returns and manage risk.

Disclaimer: This performance report is for informational purposes only. Only the Offering Memorandum, of which the present document is not a part, should be relied upon for the purpose of considering an investment in the CFAL Balanced Fund, Ltd. Past performance is not necessarily indicative of future results. For more information, email info@cfal.com.