



California First Leasing Corporation

Interim Report to Shareholders Third Quarter and Nine Months Ended March 31, 2024

California First Leasing Corporation, (OTCQX: CFNB, "Company"), headquartered in Newport Beach, California, is an internally managed non-diversified closed-end investment company registered under the Investment Company Act of 1940, as amended. The Company retains its lease business while using equity and other investments to maximize current income and generate capital appreciation.

This interim report for the quarter and nine months ended March 31, 2024, prepared by management without audit, provides an update to the annual report for the fiscal year ended June 30, 2023. Accordingly, it does not contain all the information required to meet annual or semiannual disclosure obligations and should be reviewed in conjunction with the annual report filed with the Securities and Exchange Commission and available on the Company's website at <https://www.calfirstlease.com/investor/>. *The Company's quarterly and year-to-date earnings and net asset value per share can fluctuate widely due to including gains and losses on equity securities that are determined based on stock prices on the last day of a fiscal quarter.*

Selected Financial Data

(in thousands, except per share data)

	Three Months Ended March 31,		Nine Months Ended March 31,	
	2024	2023	2024	2023
Dividend income and interest income	\$ 1,299	\$ 1,763	\$ 4,149	\$ 4,243
Net realized (loss) on securities	(1,335)	(46)	(1,591)	(2,076)
Net unrealized gain on securities	27,881	3,380	39,881	6,241
Investment income	27,845	5,097	42,439	8,408
Lease income	623	1,751	1,835	4,024
Operating expenses	678	781	2,054	2,139
Income taxes	8,125	1,348	12,020	2,190
Net income	19,665	4,719	30,200	8,103
Net asset value per share, beginning of period	\$ 23.99	\$ 21.22	\$ 22.61	\$ 20.60
Net income	2.11	0.49	3.17	0.81
Dividends paid	-	-	-	-
Net gain on share repurchase	-	-	0.32	0.30
Net Asset Value per share, end of period	\$ 26.10	\$ 21.71	\$ 26.10	\$ 21.71
Weighted common shares outstanding	9,309	9,703	9,533	10,057
Common shares outstanding, end of period	9,309	9,703	9,309	9,703

	At March 31,		At June 30,	
	2024	2023	2023	
Cash and cash equivalents	\$ 31,411	\$ 45,453	\$ 43,065	
Equity securities	214,752	149,569	163,653	
Lease and loan assets	13,983	20,388	20,152	
Total assets	260,600	216,330	227,438	
Shareholders' equity	\$ 243,014	\$ 210,621	\$ 219,380	

Equity Investment Portfolio

The investment in equity securities at March 31, 2024 and fiscal year end June 30, 2023 is summarized in four industry groups below.

	Cost Basis	Unrealized		FMV
		Gains	(Losses)	
(in thousands)				
<u>as of March 31, 2024</u>				
Commercial / Industrial	\$ 88,589	\$ 53,901	\$ (368)	\$ 142,122
Consumer	25,684	2,240	(4,390)	23,534
Financial	22,492	7,175	(158)	29,509
Healthcare	14,983	4,913	(309)	19,587
	<u>\$ 151,748</u>	<u>\$ 68,229</u>	<u>\$ (5,225)</u>	<u>\$ 214,752</u>
<u>as of June 30, 2023</u>				
Commercial / Industrial	\$ 80,292	\$ 25,935	\$ (5,532)	\$ 100,695
Consumer	28,781	2,621	(4,403)	26,999
Financial	16,476	2,234	(1,057)	17,653
Healthcare	14,983	3,323	-	18,306
	<u>\$ 140,532</u>	<u>\$ 34,113</u>	<u>\$ (10,992)</u>	<u>\$ 163,653</u>

**Schedule of Investments as of March 31, 2024**

Industry-- Percent of Net Assets	Company	Shares	Market Value
Auto & Truck Dealerships-- 1.21%	Lithia Mtrs Inc	9,779	\$ 2,942,110
Auto Parts-- 1.41%	Allison Transmission	42,290	3,432,256
Banks - Diversified-- 4.73%	Wells Fargo & Co	106,400	6,166,944
	JP Morgan Chase & Co	4,380	877,314
	Bank of America Corporation	117,500	4,455,600
			<u>11,499,858</u>
Capital Markets-- 3.99%	Goldman Sachs	23,200	9,690,408
Credit Services-- 1.58%	Credit Acceptance Corporation (1)	1,220	672,891
	PayPal Holdings Inc (1)	47,100	3,155,229
			<u>3,828,120</u>
Drug Manufacturers-- 2.96%	Bristol Myers Squibb	132,800	7,201,744
Entertainment-- 0.66%	Netflix.com Inc. (1)	2,650	1,609,425
Footwear & Accessories-- 1.47%	On Holding AG (1)	101,100	3,576,918
Healthcare Plans-- 5.10%	Cigna Corp New	30,710	11,153,565
	United Health Group	2,489	1,231,308
			<u>12,384,873</u>
Insurance - Diversified-- 0.58%	Berkshire Hathaway Inc (1)	3,364	1,414,629
Insurance - Reinsurance-- 1.27%	Everest Group LTD	7,740	3,076,650
Internet Content & Info-- 10.33%	Alphabet Inc. (1)	105,100	15,862,743
	Match Group Inc (1)	68,500	2,485,180
	Meta Platforms Inc	13,907	6,752,961
			<u>25,100,884</u>
Internet Retail-- 0.15%	Alibaba Grp Hldg	4,900	354,564
Oil & Gas E & P-- 3.42%	Ovintiv Inc.	159,925	8,300,108
Oil & Gas Equip & Services-- 2.91%	Schlumberger LTD	129,000	7,070,490
Oil & Gas Integrated-- 7.69%	Exxon Mobil	160,800	18,691,392
Scientific & Technical Instruments-- 0.75%	Sensata Technologies	49,350	1,813,119
Semiconductor Equip & Materials-- 9.54%	Applied Materials	102,000	21,035,460
	Teradyne Incorporated	19,000	2,143,770
			<u>23,179,230</u>
Semiconductors-- 15.95%	Advanced Micro Devices Inc. (1)	37,100	6,696,179
	Marvell Technology Inc	123,000	8,718,240
	Micron Technology Inc	81,300	9,584,457
	Qualcomm Inc	58,650	9,929,445
	Taiwan Semiconductor Co	28,250	3,843,413
			<u>38,771,734</u>
Specialty Business Services-- 1.96%	Global Payments Inc.	35,650	4,764,979
Specialty Chemicals-- 2.58%	Dupont De Nemours	53,940	4,135,580
	Intl Flavors & Fragrance	24,750	2,128,253
			<u>6,263,832</u>
Steel-- 2.24%	Cleveland-Cliffs Inc. (1)	239,000	5,434,860
Telecom Services-- 4.51%	Charter Communications Inc (1)	12,640	3,673,563
	Verizon Communications	173,750	7,290,550
			<u>10,964,113</u>
Thermal Coal-- 0.73%	Consol. Energy Inc	21,300	1,784,088
Tobacco-- 0.66%	British American Tobacco	52,500	1,601,250
			<u>\$ 214,751,634</u>
Total Equity Securities-- 88.37%			
Bank Deposit-- 0.11%	Liberty Bank, N.A.		\$ 276,234
U.S. Treasuries-- 1.81%	U.S. Treasury Bill (5.33%)*		4,397,442
Money Market Mutual Funds-- 10.88%	JP Morgan Prim MMkt (5.39%)**		11,051,743
	State Street Inst Liquid Rsrvs (5.41%)**		14,712,757
	Goldman FSQ Money Market (5.23%)**		682,433
			<u>\$ 31,120,609</u>
Total Short-term Investments-- 12.81%			
Total Investments-- 101.18%			<u><u>\$ 245,872,242</u></u>
			<u><u>\$ 243,013,723</u></u>

Net Assets at March 31, 2024**\$ 243,013,723**

(1) Non-income producing security

* Weighted average yield to maturity for bill maturing on 4/04/24

** Rate is the annualized seven-day yield of the fund at period end.