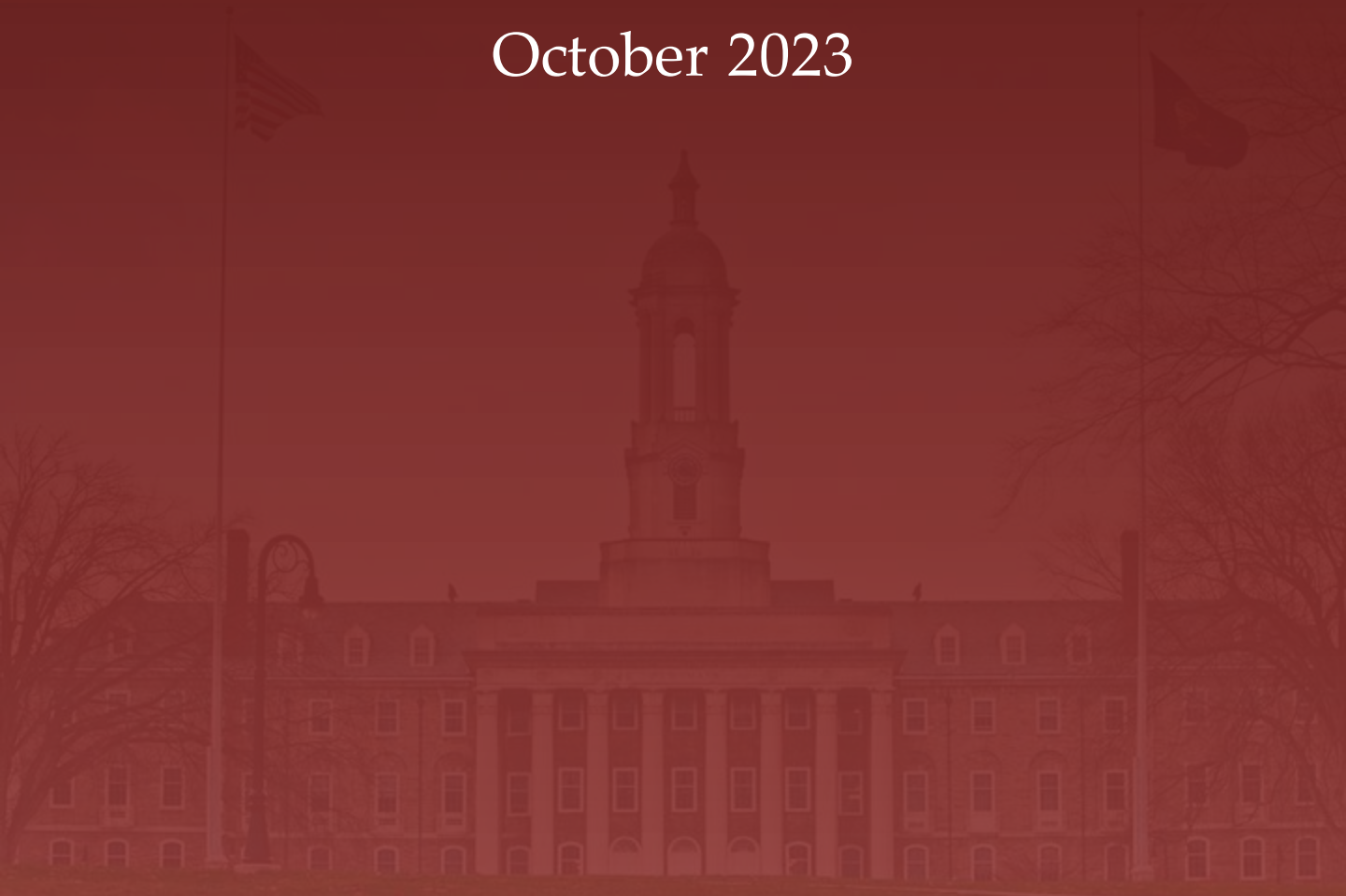


Leveraged Lion Capital Monthly Report

October 2023



LLC Updates

October was a busy month for LLC Portfolio Managers as they completed the third round of sector investment pitches and case study presentations. Case study topics this semester included: Block Trades, the Party City Bankruptcy, and Private Credit.

President Chase Adler and Secretary Rohith Bodduluri attended the LSTA Annual Conference in New York City on October 12th. They learned about current trends in the Leveraged Loan market and networked with industry professionals.

The Director of Education presented on Leveraged Buyout Analysis, Collateralized Loan Obligations, and Relative Value Analysis.

Additionally, LLC hosted the Smeal Finance Advisory Board on October 27th, who gave a market update presentation.

Finally, LLC selected a class of 14 new Associate Analysts who will begin in Spring 2024. This was one of the most selective interview processes in the organization's history, and we are incredibly excited for the new class to begin. The New Associates will be completing a comprehensive onboarding process and attending New Associate Training educations throughout the remainder of the semester.

Spring 2024 New Associate Class

Freshmen	Sophomores
Mike Aquilino	Alessia Goffo
Dillon Barrett	Luke Hamaty
Anshul Dadayyapally	Arjun Kapasia
Sam Kilareski	Grace Manion
Jake Kimmel	Dimitri Rainey
Rohan Thandassery	Mckenzie Smith
Shawn Wang	
Karac Webb	

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- Organizational Overview

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Viviana Rodriguez studied Finance and Economics at Penn State from 2019 to 2023. She served as the Chief Investment Officer for LLC during the 2022 calendar year. For the summer of 2021, she interned at Morgan Stanley in the Sales & Trading division. For the summer of 2022, she interned at Evercore in the Restructuring division, where she returned full-time.

Contact Information:

Email: viviana.rodriquez@evercore.com

Alumni Spotlight: Viviana Rodriguez '23

1. When were you in LLC, and what positions did you hold?

I joined LLC in the Spring of 2019 as an Associate Analyst in the REGAL-FIG Sector. I spent two semesters as the Director of Distressed Credit Research and was the Chief Investment Officer for the 2022 calendar year.

2. How did LLC help prepare you for your future career?

Through my time in LLC, I learned about the value of accepting criticism with grace and appreciation. Criticism can be constructive at times and is an unavoidable part of your career. Feeling as though you're being watched and judged is inherently uncomfortable, but it's the only way for people to monitor your performance to ensure you're on track for success. LLC taught me how to take it on the chin. Being able to absorb the criticism of people you work with and use it as motivation to be better is a skill that will follow me through the rest of my career.

3. What advice would you give to new members of LLC?

Don't be afraid of the more senior people in LLC. The person they are inside of class is likely very different from their real personality. The same goes for when you intern and eventually start full-time. Senior people at work can seem intimidating when on the job but are usually extremely pleasant and kind when you interact with them on a personal level. Don't demonize people older than you for how they behave in serious and professional settings. Otherwise, you could miss out on the opportunity to connect with some amazing people who could be both a mentor and a friend to you.

4. What advice do you have for members of LLC who are currently recruiting for internships?

Confidence is so important, but it's something you earn. If you want something badly enough, you have to take action and work hard to make sure you deserve it. Worry about yourself. Other people aren't you, and they have different personalities, strengths, and weaknesses. What works for someone else isn't necessarily going to work for you. While advice from others can be helpful, you should ultimately trust that you know what's best for your unique situation. In all honesty, anyone can pick up a book and learn these concepts, and although difficult at times, it isn't rocket science. It's up to you to find ways to differentiate yourself through playing to your strengths and finding a strategy that works for you.

CIO Commentary

For the month of October 2023, Leveraged Lion Capital's leveraged loan portfolio returned (0.54%) nominally, an overperformance to the LSTA 100 Index of 0.34%. Leveraged Lion Capital's high yield bond portfolio returned (1.09%) nominally, an underperformance to the HY Index of 0.43%.

Currently, Leveraged Lion Capital holds 16 bonds and 14 loans, with S&P credit ratings ranging from CCC to BB+ and B to BB+, respectively.

The REGAL-FIG Sector has the highest weighted-average yield of 10.48% with a portfolio of 4 loans, and the Healthcare Sector has the lowest weighted-average yield of 8.00% with a portfolio of 2 bonds and 2 loans.

Leveraged Loan & HY Bond News

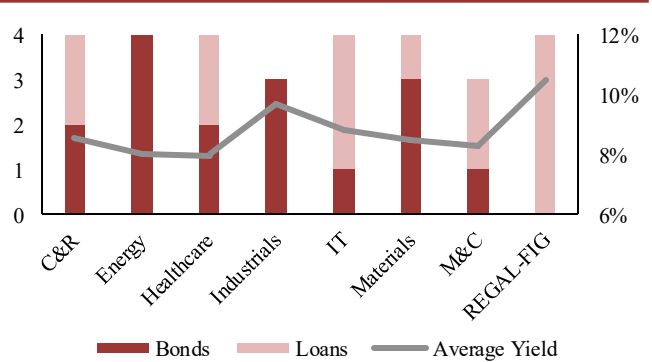
The volume of high yield bonds that are yielding at least 10.00% grew by roughly \$45.00 bn in the last 6 months, totaling \$325.00 billion or about 30.00% of the junk index. As October's inflation eased to 3.20%, the Federal Reserve is expected to keep rates steady in December, and the market is hoping for a recovery in the junk space.

Rite Aid Bankruptcy

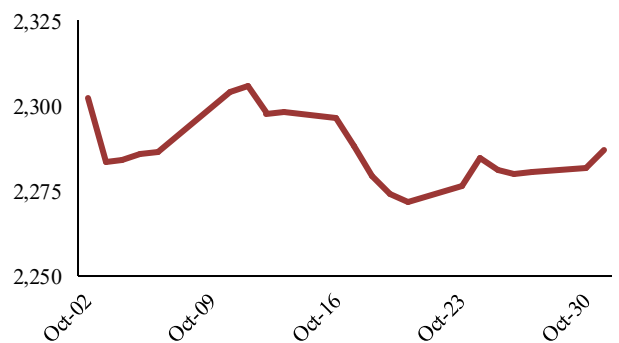
On October 15, drugstore chain Rite Aid filed for Chapter 11 bankruptcy in New Jersey. After several years of falling behind competitors and suffering from consistent losses and failed mergers, the Company ultimately succumbed to several opioid epidemic-related lawsuits. Over the past 2 years, Rite Aid has closed more than 200 stores, and the bankruptcy has resulted in the Company rejecting 168 leases. Rite Aid has an offer to buy its Elixir segment, but the Company will be holding an auction in hopes of receiving a higher bid.

Data and charts used in the October CIO Commentary (page 3) were directly retrieved from Bloomberg for educational purposes only. Data and charts for the Monthly Charts and Portfolio Analytics Report (located on page 7) were directly retrieved from Bloomberg, the LSTA, and S&P Global for educational purposes only. Leveraged Lion Capital is not associated with any of the aforementioned organizations and does not take credit for data and charts used in this report. No copyright infringement intended.

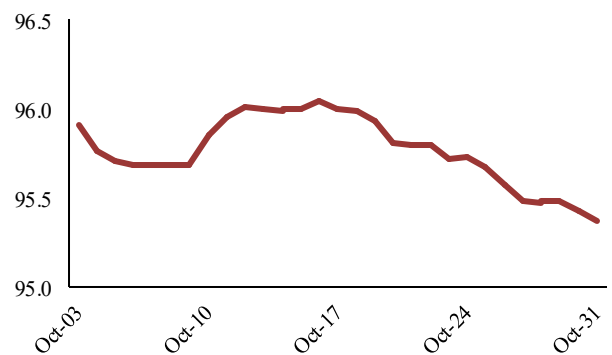
LLC Portfolio Distribution



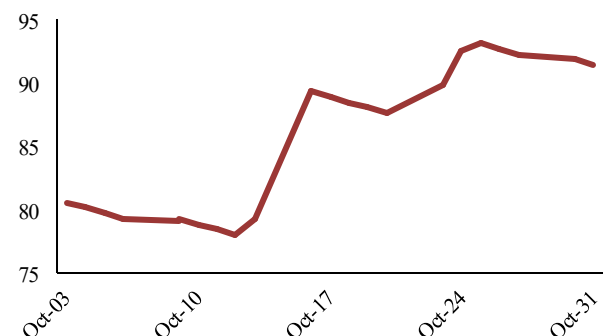
BBHY Index



LSTA 100 Index



Bankruptcy Index



Sector Summaries

Consumer & Retail

Lead Analyst: Zander Golden

The Consumer & Retail Sector's loans returned (0.88%) nominally this month and bonds returned (0.80%) nominally. The Sector's best performing holding this month was Dave & Buster's 2029 TLB, trading down 25.0 bps. Dave & Buster's has shown resilience even with there being a decline in consumer discretionary spending. The Sector's worst performing holding this month was Petco's 2028 TLB, trading down 137.5 bps. Petco has been struggling to implement its newly introduced veterinary segment. The Sector will continue to monitor consumer discretionary spending patterns and consumer credit card debt.

Energy & Utilities

Lead Analyst: Trevor Carney

The Energy Sector returned 0.43% nominally this month. The sector's best performing holding this month was Antero Midstream's 2027 Senior Unsecured Bond, trading up 90.4 bps. Antero reported strong Q3 earnings in October, beating on revenue and EPS. The sector's worst performing holding this month was NGL Energy's 2026 Senior Secured Bond, trading down 80.6 bps. The company recently released concerning guidance for its upcoming earnings report after missing estimates on its August report. The Sector will be monitoring the U.S. Energy Information Administration's energy outlook for their projection of OPEC+ production in 2024.

Healthcare

Lead Analyst: Charles Loose

The Healthcare Sector's loans returned (0.13%) nominally this month and bonds returned 0.34% nominally. The Sector's best performing holding this month was ICON PLC's 2026 Senior Secured Bond, trading up 226.8 bps. The company received a corporate rating upgrade this month from S&P Global based on improved operating performance and deleveraging. The Sector's worst performing holding this month was Health Equity's 2029 Unsecured Bond, trading down 30.0 bps. Despite Health Equity's poor performance, new legislation that expands HSA contribution limits gives The Sector future optimism. The Sector plans to monitor the mass burnout of healthcare employees as quits begin to rise again.

Industrials

Lead Analyst: Eshwar Tunga

The Industrials Sector returned (2.22%) nominally this month. The Sector's best performing holding this month was Enpro Industries' Senior Unsecured Bond, trading down 57.0 bps. This loss was due to macroeconomic pressure and recently announced dividend payments. The Sector's worst performing holding this month was Tutor Perini's 2025 Senior Unsecured Bond, trading down 409.6 bps. This was largely due to new contracts acquired by the company that are promising in the long term but pose liquidity risks for credit investors. The Sector has been closely watching developments in the United Auto Workers' recent contract negotiations. While a promising step forward for auto workers, the union faces formidable challenges in its plans to organize non-union automakers like Tesla and foreign-owned plants in the South. Overcoming these obstacles could influence labor practices and wages in the auto industry, making the battle a potentially significant macroeconomic event.

Sector Summaries

Information Technology*Lead Analyst: Jake Whittaker*

The Information Technology Sector's loans returned (0.73%) nominally this month and bonds returned (1.73%) nominally. The Sector's best performing holding this month was Digi International's 2028 TLB, trading up 62.5 bps. Earlier this month the company announced the integration of FIPS 140-2 federally-validated cryptography across its entire cellular router line, positioning it in an ideal position to provide for the government. The Sector's worst performing holding this month was Playtika's 2028 TLB, trading down 300.0 bps. The company recently lowered revenue guidance amid a decreasing number of Average Daily Paying Users. The Sector will keep a close eye on the effect of President Biden's sweeping executive order on AI regulation and how it may affect the sector strategy moving forward.

Materials*Lead Analyst: John Brownstead*

The Materials Sector's loans returned (0.98%) nominally this month and bonds returned (2.14%) nominally. The Sector's best performing holding this month was Tronox's 2028 TLB, trading down 25 bps. Tronox reported 3Q2023 earnings this month with heavy misses in revenues due to depleted demand in the titanium dioxide industry. The Sector's worst performing holding this month was First Quantum Minerals' 2025 Senior Unsecured Notes trading down 588.2 bps. Panama's supreme court has considered a lawsuit against the company alleging the contract made with FQVLF was not constitutional, threatening the firm's main mine which is responsible for 1.50% of global copper output annually. Over the next month, The Sector will be closely monitoring the titanium dioxide industry and copper production trends.

Media & Communications*Lead Analyst: Will Perez*

The Media & Communications Sector's loans returned (0.31%) nominally this month and bonds returned 1.30% nominally. The Sector's best performing holding this month was MicroStrategy's 2028 Secured Bond, trading up 146.7 bps. MicroStrategy currently holds 158,400 Bitcoins, and the price of the cryptocurrency increased by 23.86% this month. The Sector's worst performing holding this month was Ciena's 2030 TLB, trading down 50.0 bps. SUBCO, a company that provides undersea networks connecting Australia to Africa, Europe, and the Middle East, announced that it will be using Ciena's products for its Oman Australia Cable. The Sector will closely monitor the \$5.30 bn sale of Vodafone's Spanish business and the overall trend of European telecom companies selling assets as interest rates remain elevated

REGAL-FIG*Lead Analyst: Nick Patterson*

The REGAL-FIG Sector returned (0.52%) nominally this month. The Sector's best performing holding this month was Virtu Financial's 2029 TLB trading flat. Virtu has been experiencing declines in their top and bottom lines all year. This trend is expected to continue with earnings reports in early November. The Sector's worst performing holding this month was Moneygram International's 2030 TLB, trading down 125.0 bps. Moneygram International recently announced the launch of a digital wallet that will allow users to seamlessly move money from fiat to digital currency and vice versa. Next month, The Sector will monitor the current real estate market and the effect on the global economy following China's real estate crisis, high U.S. mortgage rates, constrained supply, and high prices. Specifically, it will be interesting to see the real estate market's effect on global commodity markets for steel and other raw materials.

Portfolio Analysis

CURRENT HOLDINGS (as of 10/31/2023)

Company Name	Sector	Maturity	LIBOR S Spread	Buy-In Price	Buy-In Amount	Opening Price ¹	Closing Price	Facility Rating ²	Oct Return (bps)
Energizer	Consumer	3/31/2029	4.375%	96.312	\$6,000.00	82.630	81.963	B2/B	(66.7) bps
Dave and Busters	Consumer	6/29/2029	S + 375	100.130	\$3,999.00	100.000	99.750	B1/B	(25.0) bps
Darling Ingredients	Consumer	6/15/2030	6.000%	100.280	\$6,000.00	94.297	93.551	Ba2/BB+	(74.6) bps
Petco	Consumer	3/4/2028	S + 325	98.750	\$5,000.00	98.875	97.500	B2/B+	(137.5) bps
Antero Midstream	Energy	3/1/2027	5.750%	90.805	\$1,337.09	94.686	95.590	Ba3/BB	90.4 bps
Genesis Energy	Energy	1/15/2027	8.000%	102.513	\$1,302.29	96.062	96.102	B3/B	4.0 bps
NGL Energy Partners	Energy	2/1/2026	7.500%	101.939	\$716.26	98.614	97.808	B2/B+	(80.6) bps
Weatherford International	Energy	9/15/2028	6.500%	93.001	\$1,383.51	99.914	100.724	Ba2/BB-	81.0 bps
HealthEquity	Healthcare	10/1/2029	4.500%	98.857	\$3,706.91	85.549	85.249	B2/B+	(30.0) bps
RadNet	Healthcare	4/23/2028	S + 325	100.000	\$3,710.00	99.750	99.500	B1/B+	(25.0) bps
Horizon Therapeutics	Healthcare	5/22/2026	S + 200	100.000	\$1,850.00	99.875	100.000	WR/NR	12.5 bps
ICON PLC	Healthcare	7/15/2026	2.875%	91.956	\$1,000.00	89.427	91.695	Ba1/BBB-	226.8 bps
Tutor Perini	Industrials	5/1/2025	6.875%	96.232	\$2,000.00	90.509	86.413	Caa1/CCC	(409.6) bps
Enpro Industries	Industrials	10/15/2026	5.750%	95.656	\$3,000.00	95.779	95.209	B2/BB	(57.0) bps
Danaos Corp	Industrials	3/1/2028	8.500%	110.708	\$7,000.00	101.796	100.051	Ba3/BB+	(174.5) bps
Digi International	IT	12/22/2028	S + 500	98.500	\$5,153.90	99.125	99.750	B2/BB	62.5 bps
Onsemi Semiconductors	IT	9/1/2028	3.875%	98.500	\$5,000.00	87.415	85.907	Ba2/BB	(150.8) bps
Playtika	IT	3/11/2028	S + 275	99.625	\$4,000.00	99.875	96.875	Ba2/BB+	(300.0) bps
Ultra Clean	IT	8/27/2025	S + 375	100.500	\$3,662.54	100.125	99.875	B1/NR	(25.0) bps
Mercer International	Materials	2/1/2029	5.125%	102.340	\$4,910.00	78.581	78.153	B2/B	(42.8) bps
First Quantum Minerals	Materials	4/1/2025	7.500%	103.901	\$4,910.00	99.656	93.774	WR/B+	(588.2) bps
U.S. Steel	Materials	3/1/2029	6.875%	104.281	\$5,000.00	97.905	97.474	B1/BB-	(43.1) bps
Tronox	Materials	3/11/2028	S + 225	99.375	\$4,000.00	98.250	98.000	Ba2/BB	(25.0) bps
Warner Music Group	M&C	1/20/2028	S + 212.5	100.000	\$4,250.00	99.875	99.750	Ba2/BB+	(12.5) bps
AMC Entertainment	M&C	11/1/2027	12.750%	100.940	\$3,000.00	99.269	100.333	B3/B	106.4 bps
MicroStrategy	M&C	6/15/2028	6.125%	97.012	\$2,000.00	88.595	90.062	Ba3/B-	146.7 bps
Ciena	M&C	10/24/2030	S + 200	100.375	\$4,000.00	99.875	99.375	WR/BB+	(50.0) bps
Virtu Financial	REGAL-FIG	1/13/2029	S + 300	99.750	\$2,148.85	99.250	99.250	Ba3/B+	-
Moneygram International	REGAL-FIG	6/1/2030	S + 550	94.000	\$1,453.94	94.500	93.250	B2/B	(125.0) bps
Century Casinos	REGAL-FIG	4/1/2029	S + 600	97.125	\$2,000.16	97.000	96.375	B3/B	(62.5) bps
Playa Hotels and Resorts	REGAL-FIG	1/5/2029	S + 425	99.875	\$2,000.00	100.000	99.625	B2/B+	(37.5) bps

SECTOR ANALYSIS

Sector Analysis	Loans	LSTA 100 ³	Relative	Bonds	LLC HY ³	Relative
Consumer & Retail	-0.88%	-0.91%	0.03%	-0.80%	-0.68%	-0.12%
Energy	-	-1.00%	-	0.43%	-0.75%	1.18%
Healthcare	-0.13%	-2.52%	2.39%	0.34%	-1.89%	2.23%
Industrials	-	-1.32%	-	-1.87%	-0.99%	-0.88%
IT	-0.73%	-3.06%	2.32%	-1.73%	-2.29%	0.57%
Materials	-0.25%	-2.35%	2.09%	-2.36%	-1.76%	-0.60%
Media & Communications	-0.31%	-3.06%	2.75%	1.30%	-2.29%	3.59%
REGAL-FIG	-0.52%	-1.91%	1.39%	-	-1.43%	-
Total	-0.54%	-0.88%	0.34%	-1.09%	-0.66%	-0.43%

PORTFOLIO OVERVIEW

LLC Portfolio (beginning 1/1/2018)

Beginning Portfolio Value	\$124,854.79
Current Portfolio Value	\$99,785.94
Cash Balance	\$47,728.91

LLC Portfolio (YTD)

Beginning Portfolio Value	\$99,570.95
Current Portfolio Value	\$99,785.94
Cash Balance	\$47,728.91
Accumulated Interest	\$24,156.56

RELATIVE PERFORMANCE

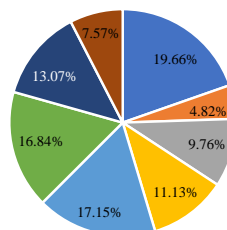
October 2023 Performance

Leveraged Lion Capital	-0.83%
LSTA 100 Index	-0.88%
LLC vs. LSTA 100	0.34%
LLC HY	-0.66%
LLC vs. LLC HY	-0.43%

YTD Performance

Leveraged Lion Capital	0.44%
LSTA 100 Index	9.53%
LLC vs. LSTA 100	-9.09%
LLC HY	0.22%
LLC vs. LLC HY	0.22%

PORTFOLIO BREAKDOWN



- Consumer
- Energy
- Healthcare
- Industrials
- IT
- Materials
- M&C
- REGAL-FIG

OCTOBER BEST PERFORMER



OCTOBER WORST PERFORMER



NOTES

¹ Opening prices for instruments added to the portfolio during the month are the price at market close on the day that the position was initiated, not necessarily the start of the month. ² Most recent available ratings. ³ Estimates for LSTA 100 and "LLC High Yield" index individual sector performance. For the most accurate measure of Leveraged Lion Capital's relative performance, please refer to Total figures.

Fall 2023 Organizational Overview

Leveraged Lion Capital is the nation's first student-run syndicated paper loan and high yield bond portfolio. Founded in Spring 2017 at The Pennsylvania State University, the organization aims to educate undergraduate students about the world of fixed income through the utilization of various resources and unique relationships with financial organizations and institutions, including Bank of America, the LSTA, and S&P Global Market Intelligence. Managing an approximately \$125 million paper portfolio, students seek to learn the fundamentals of credit analysis via a hands-on approach by researching, analyzing, and pitching U.S. leveraged loans and high yield bonds to the rest of the organization. The portfolio is divided into eight sectors that are derived from the S&P/LSTA 100 Index, consisting of Consumer & Retail, Energy, Healthcare, Industrials, Information Technology, Materials, Media & Communications, and REGAL-FIG (Real Estate, Gaming & Leisure, Financial Institutions Group).

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